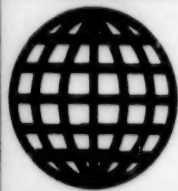


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10 May 1994



**FOREIGN
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JPRS Report

Near East & South Asia

Near East & South Asia

JPRS-NEA-94-024

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10 May 1994

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PALESTINIAN AFFAIRS

West Bank-Gaza Notables on PLO Reform

94AF0185A London AL-SHARQ AL-AWSAT in Arabic
16 Apr 94 p 5

[Article by Tawfiq Abu-Bakr (main editor), Ahmad Dawud (Amman), and Sami al-Masri (Nablus): "Decisionmaking Mechanism Took Shape Under Difficult Circumstances, Flabby Leadership Caused by Talents Staying Away"—first two paragraphs are AL-SHARQ AL-AWSAT introduction]

[Text] This series of interviews and testimonies by 20 Palestinian personalities with differing orientations aims to deepen understanding of the issues regarding the reform needed in the PLO's structure in order to build strong foundations for the coming national authority. It also aims at spreading fair, objective dialogue without charges and countercharges on the subject of democracy and pluralism in the period of transition from the age of revolution to the age of statehood.

The reader will note divergent ideas and visions of the future in the participants' interviews and testimonies regarding the timing of reform, its needs and possibilities, and who exactly can bear the burden of advocating and undertaking the mission.

First Interview: Introduction

Many on the Palestinian scene support demands for reform. They see a need to end impromptu one-man action, build institutions, and put the right man in the right place. But they divide over timing. Some think that intensifying pressure on the Palestinian leadership at this time will weaken its negotiating ability, particularly as it is exposed to formidable pressures from Arab and international parties that for their part are exploiting the reformers' demands and the embarrassed position of the Palestinian leadership in order to demand concessions from it. Others think that this is the very time to build strong foundations for the coming national entity. They believe that by acceding to demands for reform, the leadership will strengthen its negotiating position and increase its immunity to Arab and international pressures. They say that the question of timing—that others might take advantage of public criticism leveled at misguided policies—has remained a sword waved over our heads for nearly a quarter of a century; yet our enemies hang out their laundry, talk to each other bluntly, make the necessary revisions, and emerge stronger.

[AL-SHARQ AL-AWSAT] To which of the two points of view do you incline, and why?

Ridwan Abu-'Ayyash

[Abu-'Ayyash] To begin, one must stress that the question of democratic dialogue within the one Palestinian household—to restructure and deepen it and build its

institutions—is a vital demand for which the PLO has continued to work from its first inception and for which it has continued to fight to the present day.

Certainly the issue now on the table is the continuation of a previous course. It is an assured necessity. No one disagrees about it who believes that the institutions of the revolution should be converted into state institutions as a structure that can shoulder the burdens of organizing the entire Palestinian people, establishing its sovereignty, and arranging its institutional authorities.

When we talk about democracy or dialogue and about spreading an atmosphere of discussing these subjects among the ranks of the Palestinian people, I believe we all as a people bear full responsibility for such a structure. In other words, the prevalence of a spirit of initiative, organizing institutions, and strengthening the dynamic of their operation on a basis of description, classification, and institution building are matters that the people can undertake.

Timing must be taken into account, just as one must make certain that the method and means are salutary: for using a effective, efficient mechanism at a suitable time that fits the goal will surely lead to good positive results. Spreading dialogue among the ranks of the people is a matter that rests on leaders' shoulders and falls under the category of indoctrination, direction, and good mobilization.

When we talk about timing, I think the question is not when democracy and constructive, serious dialogue shall begin; neither is it when we shall or shall not approve it. Timing means choosing the best moment and time to make it succeed and to concentrate on it with the leadership. At the same time it must be built basically among the community's classes, institutions, and sections; for the leadership essentially is part of the people. When rules for the structure are produced and approved as a result of constructive dialogue, disagreements will be removed. The dimensions of disagreement will shrink, and the leadership's participation in the building process will become fruitful and fulfill its purpose. To further clarify the subject of the timing of the reform process, we say that democratic reform is not contingent on any particular time; however, before talking about it, one must define its meaning, goal, and means. These concepts must be brought to the grass roots so that they can interact, crystallize, and be framed, and so that consciousness of them can be spread. The soil in which the concepts grow thus will be made fertile. In any case, the concepts are a collective responsibility, not one limited to individuals. Therefore the question about reform and its timing should begin with another question: Has this subject been taken to the broadest ranks of the people? Who is doing so? Have we been able to bring the question to public notice and order its priorities, so that we can move from the base to the leadership? I want to stress now that we are not subject to a definite time in establishing and rooting democratic methods among the ranks of our people, who have fought and still are fighting for their realization.

Salih Qallab

[Qallab] Reform is something required in every regime and revolution. After each stage, one must turn a new page. One must look at the previous stage's mistakes, to correct them and reform its corruption, if there was any.

As for what is being tried now—that is, raising the subject of carrying out democratic reform in the PLO and its organizations—the matter has been raised on the basis of the petition that was presented to Yasir 'Arafat. I do not think this memorandum will lead to any results, because the persons who prepared it were not qualified. For the most part they are members of the very PLO groups that have to be reformed or are cadres of the PLO itself.

Those who presented the memorandum may have had a variety of motives. It may have been an unfortunate imitation of the Wafd Party in Egypt. If the intention was to form a political party that would prepare itself for a role in the coming Palestinian authority, I think this road will not lead to what is desirable.

Many observations can be made about the performance of the Palestinian leadership. Far from being recent, these observations are very old. The reformists shared in the mistakes of the leadership on various levels. Indeed, most of them were spokesmen for the leadership: they were among those who played fiddle for it and cast its errors in favorable light. They were among those who incited its wrath against all demands for reform or correction.

Now, when the Palestinian leadership is embarking on a fierce battle and fighting on many fronts, it would be better for these people—members of the Fatah Revolutionary Council or political bureau members of FIDA [Palestinian Democratic Union], the Palestinian People's Party, or any other organizations—to play their role in their organizations. For the road followed by the "reformists" has been badly exploited by enemies of Palestinian nationalism who hunt for small mistakes by the Palestinian leadership, not to correct them, but to defame this course in the minds of the Palestinian and Arab masses.

Don't misunderstand me. Naturally, I am not saying that Abu-'Ammar [Yasir 'Arafat] is a democrat. It is unreasonable for us to demand that 'Arafat's leadership be collective, as if it were the leadership of a party in Switzerland or Sweden, not part of current Palestinian reality.

[AL-SHARQ AL-AWSAT] Then your objection is directed at the individuals calling for reform.

[Qallab] My objection is not to the individuals. All respect and love to them! But I do say that most of them are from the second-and third-echelon leadership. They are among those who participated in creating the Palestinian leadership in this form. I think most of them are out to improve their positions on the Palestinian ship of state or are seeking a special place in the current negotiating process.

We know all about brother Hani al-Hasan's opposition. He was at the head of the reformists and those demanding an improvement in Palestinian negotiating

performance. Yet, as soon as he was brought into the arena, he forgot what he had been saying since the Madrid conference. I think his fellow "reformists" are following in his footsteps.

[AL-SHARQ AL-AWSAT] But one notes that reform-minded independents are the backbone of the current movement—in addition, of course, to members of the groups. And the independents who have no link to the official Palestinian institutions are the most ardent of the current demanders of reform!

[Qallab] The story about independents on the scene is ridiculous. In reality it is an invention of Abu 'Ammar, when he was displaying Fatah supporters who were not among the movement's official members as if they were independents. The fact is that bias on the Palestinian scene is not organization-related, but political. I think that the independents who are members of the Executive Committee and the Palestinian National Council are closest to the Fatah political line and to Abu 'Ammar specifically. Frankly, I would say that although people who are organizationally independent may exist, there is no one who is politically independent. In this sense, the independents among the "reformists" are not independents at all.

[AL-SHARQ AL-AWSAT] Then do you object fundamentally to reform?

[Qallab] I do not object to reform. As I said, it is constantly desirable. But I do not see what is to be gained from forming from among the Palestinian groups that participate in the PLO a current that announces that it wants to lead the reform. Why doesn't reform take place first within these groups and parties and then widen to include the PLO and its agencies? So if the brothers want reform, they should leave their groups and form a powerful reform current responsive to the will of the Palestinian people. Unfortunately, as people say, "Fodder is of no use at the time of the attack."

The Palestinian people now need an entity—the establishment of a state—even if it is not democratic. A state first must be brought into existence. Afterward we can think about what can be called a luxury in the Third World—namely, democratic transformation.

[AL-SHARQ AL-AWSAT] Why not create democratic foundations or democratic political life before statehood, to guarantee the sovereignty of a state of rights, law, and institutions?

[Qallab] As I understand it, the "reformists" want to improve the performance of the Palestinian leadership in the negotiations; they do not want to lay foundations for the future Palestinian state.

[AL-SHARQ AL-AWSAT] The memorandum and the points of the program that were approved subsequently explicitly advocate a Palestinian state and the importance of participation by the talents of the Palestinian people in these building processes on democratic foundations!

[Qallab] I believe that the Palestinian people, as a result of their special sufferings for more than 70 years, have produced a democratic reality—to differing extents and degrees, of course. The question now is whether we should put the cart before the horse. Now we want the enemy to withdraw from occupied Palestinian and Arab territory. We want to make a first step toward establishing an independent Palestinian state.

[AL-SHARQ AL-AWSAT] Demands for democracy are always desirable and persistent. Emphasizing that the Palestinian state should be a state of institutions and laws is a correct position. However, I ask whether the storm now being raised about reform by a group of people from within the Palestinian organizations serves this goal.

[Qallab] I think that even if intentions are good, this storm will not lead to [anything but] increased distortion of the Palestinian struggle and to its being portrayed as if it were merely embezzlements and misuse of authority. Reform from within the Palestinian scene must take place on the basis of conflict within unity. We must be careful to choose the steps required at each stage. In my opinion, the step required at this stage is to rally internally. That is the basis.

[AL-SHARQ AL-AWSAT] However, the "reformists" today are from inside the Palestinian household and are its sons. No one can impugn the sincerely democratic and reformist intentions of Dr. Haydar 'Abd-al-Shafi, for example.

[Qallab] Let me say that the word "reform" has become a kind of romance. I think that Dr. Haydar 'Abd-al-Shafi should not be behaving in this way. He is no onlooker; he belongs to the heart of the Palestinian political process. So he should by no means object like an outside observer, while he holds on to his position within Palestinian political activity.

Why, for example, didn't the Israeli negotiator sitting across from Dr. Haydar 'Abd-al-Shafi at the same table resign, given that he too was surprised by the Oslo agreement? Do you think the head of the Jordanian delegation knows everything the Jordanian Government is doing with regard to the Middle East peace process?

Shim'on Peres agreed with Abu 'Ammar in Davos on a series of issues, and Yitzhaq Rabin did not agree on them. Yet Peres did not step aside from the negotiations, as Abu-Mazin [Mahmud 'Abbas] did when Abu-'Ammar objected to the results of his talks in Cairo.

[AL-SHARQ AL-AWSAT] We are not talking about individual responsibilities, but about the absence of a system of institutions in Palestinian activity—the absence of collective decisionmaking and continued monopolization of decisions by the Palestinian president.

[Qallab] The Palestinian case is very special. I am one of those who lived through the experience of the siege of Beirut, when Abu-'Ammar, despite the siege, made a point of collective decisionmaking. Being under siege,

the Palestinian leaders had willingly entrusted all the reins of power to Yasir 'Arafat; which was something normal and understandable. I do not think that Yitzhaq Rabin makes his decisions after conducting a poll that includes all members of his party or the participants in his government. The most telling indication of this is the existence of the so-called inner cabinet, which makes decisions in Israel. Doesn't Yasir 'Arafat then have the right to have at his side a small consultative council that makes sensitive decisions and subsequently submits them to the wider and broader Palestinian cadres?

[AL-SHARQ AL-AWSAT] Naturally it is his right. But the problem is that a considerable number of Palestinian talents who could form a trustworthy consultative council have left the ranks of official Palestinian activity—so many that it seems as if most of those around Mr. Yasir 'Arafat are the sort of men who tell him what he wishes to hear—not to mention their low competence level and major questions about their integrity.

[Qallab] The Palestinian decisionmaking mechanism took shape under well-known circumstances. Since the onset of the Palestinian revolution in the mid-sixties, there has been a struggle between those who want Palestinian decisionmaking to be independent of certain Arab regimes and systems, but not from the Arab liberation movement, and those who constituted extensions of certain Arab regimes onto the Palestinian scene.

[AL-SHARQ AL-AWSAT] Then are these Palestinian talents responsible for what is happening in the PLO's organizations?

[Qallab] No, I am not accentuating Abu-'Ammar's constant fear of certain talents. I can state that many of those whom Abu-'Ammar has established in sensitive positions to the disadvantage of [other] talents have formed bridges to certain Arab regimes on the Palestinian scene and have penetrated Arab and non-Arab security agencies. There is a law in revolutions that holds that the leadership should be protected from errors. I think that by staying away from Abu-'Ammar, Palestinian talents have paved the way for the spread of the flabbiness and bureaucracy that we now see and that are the cause of the series of errors that we now are attributing to the head of the PLO.

Mamduh Nawfal on Obstacles to Police

94AF0185B London AL-SHARQ AL-AWSAT in Arabic
14 Apr 94 p 15

[Article by Mamduh Nawfal (Palestine National Council member, participant in negotiations to implement Oslo Agreement): "Major Obstacles Hindering Entrance of Palestinian Police to Gaza, Jericho"]

[Text] Following the signing of Cairo agreement number two on 31 March of this year concerning the situation in Hebron, there was much talk in political circles and the press about the entrance of Palestinian police to Gaza and Jericho. The talk climaxed by setting the days and

hours for the entrance. Is it true that the withdrawal of Israeli forces from Gaza and Jericho and the entrance of Palestinian police to take up their duties there has become imminent? Will their appearance among their people be appreciated and respected? Or are there major obstacles hindering this entrance—obstacles that might mar their coming—not to mention other hidden obstacles that could surface in a moment?

As a preliminary to answering these questions, we must pause to consider the implications of the agreement concerning Hebron; for that agreement reflects the Israeli leadership's way of thinking and their *modus operandi* in handling the specious and artificial basic problems and obstacles that have appeared or will appear during the negotiations and during implementation of the agreements. I think there is no doubt in the Palestinian ranks that the agreement concerning treatment of the Hebron massacre was inadequate and that Palestinians are right to criticize it and consider it a negative sign of the policy and way in which Rabin has handled and will handle subsequent problems. At Rabin's insistence, the agreement lacked any mention or practical step against the settlers and their weapons and against their behavior. The Hebron massacre gave Rabin opportunities to make up for the time he has wasted since 13 December to the present; yet he reaffirmed his insistence on continuing the policy of advancing slowly on the path of negotiations—a policy he has followed thus far since assuming office, especially after the signing of the Oslo Agreement on 13 September 1993. The massacre gave him an opportunity make the racists, extremists, and all Israeli enemies of peace understand that they would not be allowed to toy with such major Israeli issues as the issue of peace; but he hesitated. Instead of removing the settlers from the city of Hebron and ending the friction there, he imposed on the people of Hebron measures that increased the friction, raised the degree of tension, and could lead to the evacuation of several thousand residents of central Hebron.

I think that anyone who wishes can register even more criticism of the Hebron agreement and those responsible for it. Yet this will not undo the fact that the agreement has been signed and become a *fait accompli* that, in coming days, will be translated into practical steps on the ground in Hebron. Norwegian, Italian, and Danish forces will arrive there shortly. I think their arrival is an important gain that must be seen and dealt with positively and that one must work to develop. The value of this foreign presence lies not in the military and security capability of these forces to confront the settlers' provocations and crimes—for these matters are beyond their capacity and outside the scope of their activity and responsibilities. Rather, it lies in the implications and dimensions of their presence itself. Their presence with Rabin's agreement means that he acknowledges that the West Bank and Gaza are occupied territory; for no one would accept the entry and stationing of foreign forces on his own territory. It also means that sovereignty over this territory does not belong to Israel; for a foreign presence

involves a violation and challenge to the sovereignty that Israel claims over part or all of this territory. I think that the value of this presence will increase even more and become more and more prominent as greater numbers and more nationalities of foreign forces arrive in Gaza and Jericho under the provisions of the Declaration of Principles (DOP), which alludes to such a presence.

Regardless of the difference of opinions over the Hebron agreement, it has confirmed objectively that the positive momentum that the peace process has possessed to date remains greater and more powerful than the obstructive force that has grown in recent months. However, objectivity forces one to acknowledge that no one can be absolutely certain that the positive momentum can compel Israeli forces to hasten their withdrawal from Gaza and Jericho or cause the American cars and vehicles that have arrived for the Palestinian police to set out quickly in a few days' time on the Rafah-Gaza road and the South al-Shuna-Jericho road. Preventing the peace process from being torpedoed is one thing; accelerating the conclusion of final agreements is something else, with other considerations and calculations, especially on the part of the American sponsor. Although donor nations have moved energetically and have thankfully begun shipping the civilian and military aid needed to equip the Palestinian police, and although the Israeli side has begun to evacuate certain sites in Rafah, Gaza, and Jericho and has proposed that the Palestinian side send a delegation of senior officers for reconnaissance to prepare for the sending of the vanguard of the Palestinian police forces, it is also true that these steps remain formal and must not be allowed to cover over the large issues of dispute still being discussed and debated between the two sides.

The Palestinian side has estimated the size of the police force needed to cover the duties assigned to it at 10,000 men. For reasons relating to skill, experience, and urgency of the operation, it has insisted that 8,000 policemen should come from abroad and that 2,000 West Bankers and Gazans should be recruited later. Although the Israeli side acknowledges that major and varied missions await the Palestinian police, it is still haggling. In its most recent offer, it agreed to 9,000, with the number from overseas limited to 6,500. I do not think it will be difficult to reach a common denominator on this point.

Along with disagreement over numbers, there is substantial disagreement over the schedule for the withdrawal of Israeli forces and therefore for the entry of the main body of Palestinian police. The Palestinian side proposed to the Israeli side that negotiations on withdrawal from Gaza and Jericho be accelerated: one should work toward reaching an agreement on all the security questions without prejudicing the other issues on the table. However, the Israeli delegation rejected this and insisted on reaching an integrated "Gaza-Jericho First" agreement. It continues to regard the signing date of this integrated agreement as the starting point and date for the beginning of the Israeli withdrawal and the beginning of the entry of the main body of Palestinian police and

their assumption of duties. According to the agenda that the two sides approved as a basis for the current negotiations, this means that the following problems would have to be discussed and resolved:

1. Economic issues: in this area Palestinian and Israeli negotiators still must complete an agreement on labor and employment, farming and industry, tourism, banking problems, and the operation of accident insurance companies.
2. Legal questions: the Israeli side proposes discussing issues of jurisdiction, criminal jurisdiction, and cooperation in legal matters.
3. Civilian authorities: the two sides still have not resolved questions concerning water control and management, archaeology, and regional planning.
4. In security matters, besides the withdrawal plan and the police deployment plan, the negotiations still must reach agreement on the security laws dealing with individual incidents, the question of a temporary international presence in Gaza and Jericho, and the secure corridor back and forth from Gaza to Jericho.

If one ponders all these still unresolved issues, the main inference one can draw is that discussing and debating all these unresolved questions will require several weeks, if—and this must be emphasized—Israeli intentions are sincere. As the saying goes, the man who has been bitten by a snake fears the trail of a rope. The Palestinian side has been stung by Rabin three times: first when he put off negotiating for a year before entering the Oslo channel; second when he missed the 13 December date set in the Declaration of Principles for beginning withdrawal; and third when he protected the racists and extremists in Hebron and allowed them to stay there. If the visible unresolved questions confirm that the Israeli side is going to miss the 13 April date for full withdrawal from Gaza and Jericho according to the provisions of the Oslo agreement, we shall be faced with ample time that Rabin and the Israeli negotiating delegation will try to fill with formal moves such as the entry of a group of leaders for reconnaissance, the entry of 300 policemen into Gaza, Rafah, and Jericho, or beginning to design and build joint liaison offices.

I think this stretch of time will witness a race between those international, regional, and local forces eager for progress and success in the peace process and those local and regional forces that oppose the process. Each of the two tendencies will throw its full weight: the former to pass through the period in peace and safety. I think we shall notice the practical translation in the movement of American planes toward Cairo and al-'Arish airports, carrying military vehicles and armored cars for the Palestinian police, and in the movement of planes from donor nations, carrying the remaining kinds and quantities of military and civilian equipment. It will also be seen when Norwegian, Danish, and Italian forces land at al-'Arish and Cairo on their way to Hebron. The other tendency, particularly the racist, extremist forces that are

friends and allies of Rubinstein, naturally will concentrate its efforts on committing a new massacre somewhere. Why not, when the massacre at Abraham's Tomb derailed negotiations on the Oslo agreement for six weeks, and when the punishment it received was very light and was not without an implied compensation!

From now on, until the signing of the final agreement on implementing the Oslo agreement, talk about the entrance of the police will continue and may increase, but it will remain nothing but talk until the beginning or middle of May. I believe that great and varied tasks await the Palestinian side from now until such an agreement is reached. These tasks include developing the management of the negotiations and improving the negotiating method itself. It is no accident that the Palestinian negotiating delegation lacks specialists and experts. It is also damaging nationally for experienced and skilled residents from inside [Palestine] to remain absent from the negotiating table. Another task is to plan and prepare the forces needed to undertake the great and varied work that will have to be accomplished on the ground in the West Bank and Gaza. Anyone who thinks that the success of the Palestinian police in their patriotic missions depends on good training, large numbers, or powerful equipment is wrong. The basis of their success lies in good behavior with the people. Above all, it lies in effecting a qualitative change in people's lives. Such a desired change can be made only by mobilizing all resources and energies and by relying on the collective organizing role of institutions.

ALGERIA

France: Documents Link GIA to Drugs

94AF0175B Algiers LIBERTE in French 7 Apr 94 p 2

[Article signed by "Y.L.": "Islamic Fundamentalists in France: A New Haul; Thousands of Official Algerian Documents Uncovered"]

[Text] Among the documents seized are blank identification papers and affidavit forms from the High Commission on National Service [HCSN], also blank.

These documents (511 national identity cards and 606 HCSN affidavit forms) were uncovered by French security services after a search of the homes of two presumed former Islamic Salvation Front [FIS] sympathizers, El-Hadj Chaib Eddour, an Algerian citizen, and Ahmed Seba, an Algerian holding French citizenship. These two individuals had been arrested and questioned on 21 March for their role in a drug trafficking case.

Yet more seriously, at Ahmed Seba's home the French police had discovered an Israeli Galil assault rifle, two 9-mm PA loaders, as well as several boxes of shells. All of which would earn him another charge, namely criminal association of being in contact with a terrorist enterprise.

However, according to VSD (a French magazine), which broke the background to the story on an exclusive basis in its most recent issue, the discovery of the documents happened accidentally.

The origin of this haul, according to this magazine, was an investigation begun in early December into a drug trafficking network.

Two different agencies, the general intelligence office [RG] and the Judiciary Police [PJ], had begun an investigation into the same group of suspects, but for two different reasons: the RG was interested in the GIA [Armed Islamic Group] support network aspect, the PJ in a heroin trafficking operation. Until this precise moment, French security forces still did not suspect that they were going to make the extraordinary discovery of the official Algerian documents.

It was only after the arrest, on 21 March, of 18 members (including Chaib and Seba) and the search of their premises that the secret was discovered. There was a huge network producing counterfeit Algerian documents. A fair share of these papers were already in envelopes bearing the addresses of their addressees in Algeria.

When questioned, Seba would admit that these documents were meant for members of GIA, the terrorist group.

He is reported to have stated that he had left them at Chaib's house at the request of a certain Boudjellal Chemellal, a presumed GIA member, and that he had done so under the threat of reprisals against members of his family.

Still, according to Seba's admission, Boudjellal was also the owner of the Israeli assault rifle and the load of ammunition.

These facts would, in fact, provide concrete evidence for the French security agencies and authorities that the GIA has indeed managed to set up a support and logistic network in France, which is closely connected with drug trafficking.

Better yet, French police have even established a connection between this case and certain individuals arrested as part of an operation last November code-named "Chrysanthemum" aimed at circles of sympathizers and activists in France of the former FIS.

That evidence is the discovery of a photocopy of the verification order issued on 12 November against Larbi Beddiaf, a member of the FAF [Algerian Brotherhood in France], who was questioned for being [part of] a criminal organization in contact with a terrorist enterprise.

Last, it should be noted that Chaib and Seba as well as Boudjellal, for whom the examining magistrate issued an international arrest warrant, are not known and therefore not in the files of the French and Algerian security agencies.

Discussion of France's Policy, Islamic Movement

94AF0182C Algiers EL WATAN in French 13 Apr 94
pp 1, 2

[Interview with Paul Marie de la Gorce, managing editor of DEFENSE NATIONALE, by Omar Belhouchet; place and date not given: "Algerian Society Has Considerable Capacity for Resistance"]

[Excerpts] Paul Marie de la Gorce, expert on Arab politics, diplomacy, and military affairs, recently made a "working visit to Algeria." President of the Study Committee on National Defense and managing editor of the monthly review DEFENSE NATIONALE, he took the opportunity of this visit to consult a broad range of players in the current Algerian crisis. In this interview, he explains France's position on the phenomenon of religious fundamentalism and describes France's policy toward the Maghreb and the Arab world in general.

[Belhouchet] The week you spent in Algiers gave you the chance to meet many people. What is your appreciation of the situation in Algeria?

[De la Gorce] My appreciation could be summed up in two observations. The first bears on the indisputable capacity for resistance of Algerian society in general, in its diverse aspects, against what we will call for simplicity's sake "the armed Islamist opposition." I would say very frankly that overseas, at least when I left Paris for Algiers, the climate was very pessimistic regarding Algerians' capacity to resist the armed Islamist movement.

So I must say that the resistance is considerable. It is expressed in diverse ways, of course—by the attitude of the government, the conduct of the army, the actions of the security forces, and also by the specific security policy pursued by the regime in place. Let us not forget the manifest existence of ideological political camps that are determined, as I see it, to stoutly resist the armed Islamist opposition.

The second point I would make is that this camp comprises a complex mix of elements, as diverse as Algerian society itself. The political and social hierarchy in all its totality also includes those who pour out in the streets to demonstrate against the prospect of a religious state in Algeria. The divisions within this camp were striking. It seems that this camp has a great deal of difficulty uniting and focusing its efforts.

[Belhouchet] Observers think France's policy toward Algeria has changed in the last six years, especially since the right came to power. What is your view?

[De la Gorce] I think the initial tone taken by French leaders vis-a-vis Algeria was set in 1992. There were all sorts of arguments that official policy should distance itself from what was happening in Algeria and from the regime in place.

Following the interruption of the electoral process, it was thought the growing power of Algeria's Islamist currents

was irreversible, so there was a great deal of concern about the situation and a feeling that France should stay very far away from that process. But in October 1992, a decisive turning point was reached.

Dumas's visit to Algeria, followed by the visit of Belaid Abdesselam and Redha Malek to Paris, resulted in large financial commitments. This new direction was maintained by the new government, after the 1993 legislative elections in France.

I should note that French policy is determined jointly by the president and the prime minister, and the two men feel the same way about Algeria, i.e., that it is necessary now to support Algeria in its struggle against the armed Islamist opposition. Although that judgment is the starting point, there may be fluctuations from time to time regarding tactics or the language to be used. Sometimes it is stern and categorical in support of the government in place against an opposition described as "terrorist." At other times, one might think the most important thing was to do something for those fighting against the armed Islamist opposition rather than saying something that would have no real-world impact. The general tenor of French policy is more the former. [passage omitted]

[Belhouchet] One has the impression France is giving Algeria a sort of wink and a nod, as if to say, "We can help you, but make up your mind where you're going."

[De la Gorce] I do not mind at all when people say France and Algeria have a special relationship. But the root of the problem lies with the Algerians: Nothing can substitute for their own collective will. The choice of a certain type of society is one for Algerians to make. I think that for many reasons this choice has been delayed and fretted over, because you are looking for the reaffirmation of a national identity in Arabization and Islam. At the same time, some Algerians were committed to modernity.

There was a reliance on ideological foundations that did not prove as sound as one might have hoped and that may have diverted Algeria from the path of modernization, from developing the kinds of social attitudes needed to participate effectively in the modern world.

One must never lose sight of the fact that in history, as in life, there is no such thing as a complete break. One never starts over from the zero point, even when leaders are replaced. We are saddled inescapably with the consequences of cultural, economic, and social choices made in the preceding period.

It seems to me it is not very profitable to denigrate a regime, such as the one in power today, which is taking important steps forward. The accord with the IMF is the largest: since 1988. It marks Algeria's decision to take a path on which other states have already embarked.

[Belhouchet] Do you have the impression that the Islamist movement in Algeria is completely *sui generis*? Why do you think there is so much atrocity, so much hatred, when initially it was an opposition movement

that was allowed to express itself and even enjoyed a great deal of sympathy all around the world?

[De la Gorce] Without going so far as to dispute the uniqueness of the Algerian situation, one should not forget that manifestations of political and religious fanaticism are extraordinarily violent elsewhere too. The unfortunate way the Iranian regime behaved and evolved was also extremely violent. We see terrible violence in Egypt. I think one must consider the logic of conflict. At first, all sides, even those trying to seize power, are sensitive to public opinion, the need to form alliances, to pay attention to the international context. But the logic of conflict leads to the unleashing of violence.

We must realize that such violence feeds on itself. Thus it does not surprise me very much that things have reached the present juncture. This kind of thing is characteristic of violent and armed struggles in general. So I would cautiously suggest that we should not forget that in the history of Algerian political movements there have been what one of your compatriots, historian Mohamed Harbi, termed very powerful plebeian tendencies, which continued into the period after 1945, into what we have called the Algerian War.

[Belhouchet] Despite all the crimes it has committed, not even sparing foreigners, the fundamentalist movement has continued to enjoy support abroad, notably in France.

[De la Gorce] Yes, in France, we have this very strong, very negative, irrational and absurd reaction, but it's pretty widespread. I would like to draw your attention to the fact the same reactions can be seen in other countries—and the example of the United States is particularly revealing in that regard. You published in EL WATAN an extremely revealing report of remarks made by a U.S. State Department assistant secretary-designate before a congressional committee, which reflected very accurately the attitude I myself observed several weeks ago in Washington among members of the majority party—namely, the feeling that Algeria has been on the wrong path since the interruption of the electoral process, that in the last analysis the Islamist current is the one most representative of Algerian society, that the country is sinking into internal turmoil that will end in civil war.

I recall that two American officials were criticizing the Algerian Government because in the face of an armed Islamist opposition it would be incapable of moving ahead with the monetary, financial, and economic reforms indispensable not only for its own future but simply to restore order.

[Belhouchet] What is the main tenor of the U.S. Administration's current thinking on Algeria?

[De la Gorce] The predominant view more or less favors a compromise with the Islamist camp. There is a different school of thought holding that the struggle against Islamist fundamentalism must be pursued because it is a dangerous phenomenon, with Iran the seat of infection and Sudan a secondary locus of contagion.

[Belhouche] As you leave Algeria, what feelings do you take with you?

[De la Gorce] My feeling is that the determination of men and women opposed to a takeover by the armed Islamist opposition is such that the latter will not succeed. But naturally I cannot predict the duration of that struggle—or the forms it may assume. I also think it is too soon to predict whether those resolved to destroy the armed Islamist opposition will have a quick victory, because there is more to the struggle than just the security dimension.

Hundreds of Terrorists Said Killed Mid-March

94AF0179A Algiers ALGER REPUBLICAIN in French
6 Apr 94 p 3

[Article by Mohamed D.: "New Security Dynamic: Hundreds of Terrorists Eliminated"]

[Text] So, according to our estimate, these operations made it possible to disable hundreds of barbarians from being able to do harm.

Since the start of this campaign in mid-March, close to 400 terrorists have been killed and just as many arrested. Cities such as Blida, Chlef, Medea, Kseur-el-Boukhari, and, most recently, Tiaret, which were said to be "hard to reach," have been cleaned of their savage hordes.

In the same spirit, the special courts (responsible for cases of terrorism and subversion) have been reactivated. Hundreds of Islamic fundamentalists arrested for having been part of armed groups and taking part in assassinations, hold-ups, acts of sabotage, etc. have started appearing in front of these agencies of the law. Close to 350 terrorists are supposed to appear this month in the Algiers special court alone.

In Oran, several terrorists groups appear in court each day. Stiff sentences are handed down. They thus pay for the crimes they have committed.

Knowledgeable observers are delighted with these new measures. "The armed arms of Islamic fundamentalism," they say, "have been pinned back; but that is not enough. These new measures should be accompanied by radical policy decisions and fundamentalism should be fought tooth and nail."

Indeed this experience has shown that security measures alone are not enough. Policy action is even more important.

As for the Islamic fundamentalists, they have understood this. They have divided up the tasks. Some kill, others talk. Among the latter, some harden the tone and others appear conciliatory.

One single objective unites them. The establishment of an Islamic state.

On this subject, chahid Boudiaf said: "Stopping the electoral process had become necessary. Using Islam for

partisan and political means, demagoguery and lies for some time were able to achieve an impact on those in this system who were excluded, on marginalized people. To this should be added the complicity of certain areas of the government."

"Today it becomes more and more evident that collusion exists between the party in power, fundamentalism, and, unfortunately, a certain partisan opposition..."

Thus continuing to believe that it is possible to contain the fundamentalists through legal means is but an illusion.

This could be fatal for the country.

As for those who talk about respecting the constitution, it might be time for them to think of implementing it. Law No. 89-II dated 5 July 1989 pertaining to political associations says in its Article 4, final paragraph: "furthermore the political association cannot base its creation or actions on an exclusively religious, linguistic, regional, sexual, racial, or certain professional status basis."

The law could not be clearer. This paragraph bans the former Islamic Salvation Front [FIS], Hamas [Islamic Society Movement], Ennahda, and all their satellites.

As we have often emphasized, Islamic fundamentalism is ruthless towards the weak. The more you make concessions to it, the more it demands. It knows no bounds. It is not generous. Delays are not its problem. It wants everything and wants it now.

To fail to understand this policy would be to play into their hands.

Background: Struggle of Armed Groups for Power

94AF0175A Algiers LIBERTE in French 8-9 Apr 94 p 3

[Article by Yacine Lahcene: "Why Does the Islamic Salvation Front Not Want To Stop Terrorism? Some Truths About the Armed Groups"—first paragraph is LIBERTE introduction]

[Text] The meeting between Layada, who at the time was an "emir" of the GIA [Armed Islamic Group], and Abderazak Redjam, who was in charge of information for the dissolved Islamic Salvation Front [FIS], well illustrates this determination by the FIS to take over terrorism.

When Boukhamkham and Djeddi say that their bosses have made no commitment to bring an end to terrorism, they know whereof they speak. However the FIS, the initiator of the violence, does not control the armed groups; it is but one part of them.

The student has sort of surpassed his teacher. But the dissolved party has never given up in its attempt to take over the terrorist groups. But this effort has been in vain, since the terrorist bosses cut the hierarchical link before

the legislative elections, since they thought that the FIS's two leaders had failed in their mission to establish an Islamic state.

The meeting between Layada, who at the time was an "emir" of the GIA, and Abderazak Redjam, who was in charge of information for the dissolved FIS, well illustrates this determination by the FIS to take over terrorism.

At the beginning of 1993, the two men held a meeting in El-Biar, at La Scala, at the insistence of Redjam. It was decided to suspend the publication of the ENNAFIR (Redjam) and ECHAHADA (Layada) newsletters because their contents were contradictory. It was also decided to suspend the "Wafa" pirate radio station, whose news regarding the GIA's actions was untruthful.

Indeed, during each program, that radio station announced that "thousands" of police and soldiers had been killed, that there had been epic scuffles, and other wildly inflated stories.

But the meeting also addressed "the drawing up of a joint working platform in anticipation of a congress that would bring together all clandestine factions and the leadership of the dissolved FIS." Redjam's attempt to take over is clear.

For the second meeting, Layada demanded that Mohamed Said, whose real name is Lounis Belkacem, be present, "for more credibility." The latter would not come and Layada refused to continue the discussions with Redjam. Another member of the FIS similarly issued an invitation to the GIA for the same purpose. A dispirited Omar El Eulmi, the president of the SIT [Islamic Labor Syndicate], was working under the command of Mansouri El Miliani. He charged Djaafar El Afghani with pleading his cause with Layada.

Layada received him in a hut next to the Draa-Dis Mosque. "I expressed my wish to see El Eulmi join our organization, which lacked a figure of his stature in the religious area," Layada would say.

He would go on to say that it was on the basis of El Eulmi's fatwas that elements from the armed groups had become uncontrollable, carrying out assassinations left and right. Interference by the FIS is not welcomed by the GIA's "emirs," who are already faced with constant leadership wars.

So a defiant Layada stated that "the assassinations of certain intellectuals was the work of the FIS's clandestine leadership. Redjam had drawn up a list of intellectuals to be assassinated by small groups that the police were not searching for." The GIA thus saw its monopoly on terror threatened by the FIS. Also money was at the root of quarrels between the dissolved party and the armed movement. A major call for a return to order was necessary before Iqbal Madani returned some of the money he was holding in Morocco.

How are the huge sums that come from holdups, racketeering, and gifts managed? The way in which the money

coming from the holdup of the BEA [Algerian External Bank] on Rue de la Liberte was used will provide an idea: 100,000 French francs [Fr] were given to Abassi Madani's son Iqbal by Hocine Abdelhamid to "acquire weapons from Morocco and bring them in."

Did Madani Iqbal abscond with the money? "These weapons did not arrive," Layada said. He met Madani Iqbal at the Khaled Hotel in Oujda. He demanded from him the money that had been collected abroad "while making a death threat against him." Madani Iqbal acknowledged the facts and hinted that the Fr100,000 had helped purchase the PM Uzis, which had been brought into Algeria. With Zaoui Ahmed present, "next the money collected by Madani Iqbal abroad, and which amounted to 750,000 dollars, was deducted." Doubtful that these funds had really helped purchase weapons, Layada made him "sign an IOU." To demonstrate "his good conduct with regard to the armed Islamic groups," Madani Iqbal offered Layada a batch of weapons hidden in his Mercedes. Madani Iqbal had purchased six other luxury vehicles and driven them into Algeria.

When the events and the statements by the arrested terrorists have been reviewed, it becomes clear that the GIA, often led by semi-illiterates, is but a fragile assemblage of small groups led by local emirs who derive their authority from violence. The first groups formed before the electoral process was interrupted.

Layada would be quick to be put on the scent of these new armed groups being put together. At a meeting at the Bachir El-Ibrahimi Mosque, the decision was made to "make contact with the other groups being put together so as to be better acquainted and adopt a common action strategy, and to move directly to armed action if that is necessary." One week later, representatives from the armed groups in Boufarik, Blida, Baraki, El-Biar, and the Casbah met at the Fares Mosque (Casbah).

A dejected Khia Mohamed, upon being named the coordinator for these groups, emphasized "the need to move to armed action by declaring a jihad against miscreants and anything that symbolized the state." Armed actions against representatives of the security forces, which are symbols of the state, were planned. The aim was also to acquire weapons.

So it was following the June 1991 insurrection that armed groups began to form under the aegis of Chebouti Abdelkader, Mansouri El-Miliani, Allal Mohamed, and others. They went into action before the electoral process was interrupted (with attacks on the Blida courthouse, the Guemmar barracks, etc.).

Layada went underground after the national gendarmerie burst into his home in Baraki, where he had been with some other terrorists. His life was saved because he hid behind his sister-in-law and fired on the darak's captain. The latter did not wish to fire back lest he kill the woman. Layada escaped and hid in Blida. But it was the events in Tamezguida that were to propel him to the rank of "national emir." Allal Mohamed, nicknamed

Moh Leveille, the head of the GIA, was wounded during the attack on the city Sures of Draria on 20 May 1992. He charged Layada, who at that time was his official driver, with reconstituting his groups.

Allal Mohamed "chose to work in isolation in relation to the other armed groups led by Chebouti and Mansouri El-Miliani." Hocine Abderrahim, the financier behind the attack on the airport—who was sentenced to death and executed—, failed in his many attempts to bring them together. For the reconciliation meeting held in Zbarbar in April 1992, which was attended by Mansouri El-Miliani, Chebouti Abdelkader, and Hocine Abderrahim, Allal Mohamed had sent a representative. His attitude was that "he was not ready to accept working under the aegis of Mansouri El-Miliani or Chebouti because they were not action leaders and thus could not measure up to him."

Layada returned to Algiers, to Draa Dis, so he could better supervise "Moh Leveille's" armed groups. Incessant harassment by the police forced the latter to send his terrorists to Tamezguida (Blida). Touati Achour, the emir for that region, put storage rooms, which had long been readied, at their disposal. It was then that the famous reconciliation meeting took place that had been brought about in September 1992 by Allal Mohamed, whose ambition it was to become the national emir. His argument: "He had the hard core of the armed groups at his disposal." Chebouti, "armed with an MAT 49," Allal Mohamed, "armed with a PA, Si Ahmed Mourad, alias Djaafar El-Afghani—shot down in Bouzareah—, "armed with a PA," Hocine Abderrahim, and others were present.

The fierce leadership battle had begun. Owing to the "disorder," the agenda was postponed. Chebouti kept his title as national emir and each armed group would "continue to be active in its area, according to its means." At dawn, the forces of the National People's Assembly [ANP] intervened. "Each man fled on his own without asking about the others." Layada, Chebouti, and Touati Achour would flee on foot through mountains and on trails until reaching Larbaa, where they found refuge in ammunition storage rooms. Makhoulfi Said, who had boycotted "the Tamezguida meeting," was suspected to having collaborated with the security forces. It was only on the fourth day that Layada learned his boss had died. The post of emir had fallen vacant...

Towards the end of October 1992, in a bungalow, which a woman had made available to them in Baraki, Layada was unanimously named national emir. A disheartened Afghan, Sedjane Khaled, the main ring leader of the attack on Khaled Nezzar, was charged with rallying the Afghan groups. Attia Sayeh, nicknamed "Younes," who was assumed to have been shot, and Djaafar El-Afghani's successor, was named the emir for the wilaya of Medea. These armed groups reused the GIA's acronym used to designate Mansouri El-Miliani's "dislocated" groups, the majority of whose members had rejoined Layada. The two round seals bearing the letters "GIA," which had previously been used by Mansouri El-Miliani, were recovered.

As an aside, they had been manufactured in Pakistan. But it would not be soon before Layada fell as well. In March 1993 he traveled secretly to Morocco at the insistence of activists there and of whom, according to Layada, there was a great number (especially the "Afghans"), who had money and weapons and in no way felt concerned by being in Moroccan territory. When there, they explained to him that an Majlis Ech-Choura [FIS Central Committee] had to be put together and that another "national emir" had to be appointed, as he was accused of being "brutal" and "illiterate." They wanted to substitute a certain Khathir Ben M'hinda, nicknamed "Moussab," the emir of Constantine, for him. The meeting ended without this being accomplished, but Layada's term heading up the GIA was at an end. He was in fact arrested by the Moroccan [police]. Sid Ahmed Mourad succeeded him under circumstances that are totally unknown. As his temporary replacement, since he was killed last March, it has been reported that Sayeh Attia has been named. But for some days now, Attia as well is reported to have been killed. Does a new boss need to be sought from among the names that have been mentioned? In any event, the succession is a "fantastic" one in view of the booty held by the GIA and confirmed by Layada.

FLN Refuses To Participate in CNT

94AF0182B Algiers EL WATAN in French 13 Apr 94
pp 1, 3

[Article by S. Bensalem: "FLN's All-Or-Nothing Position"]

[Text] The reply of the FLN [National Liberation Front] political bureau to the letter of Mr. Youcef Khatib, adviser to the presidency, asking political parties and associations to declare before 16 April whether or not they will participate in the National Transition Council (CNT) was made public yesterday...

No, says the FLN. In its letter, made available to EL WATAN yesterday, it declined the invitation to attend the 20 April meeting at the presidency that was called to allocate seats among those participating in the dialogue. The decision came at the end of Monday's meeting of the FLN political bureau. The FLN position hardly comes as a surprise, given the statements its secretary general has made to the press, recent political bureau communiques, and the latest statements from its central committee, which met on 13-14 January.

According to the reply the political bureau sent to Mr. Khatib on Monday, the FLN—which had said often before it was not bound by the decisions of the national conference that it had boycotted—believes "the fundamental questions raised by the FLN and other parties in different forms have not been debated, nor have they been embraced as necessary elements for the reaching of an accord or the real basis of the national consensus..."

The FLN political bureau—more specifically some of its influential members, who were alleged to have virtually offered the party to the highest bidder—has returned in its latest statement to the decisions of the last central

committee meeting, in order to show it is not acting against the wishes of the party rank and file; it notes, for example, that the party has decided "not to endorse any de facto authority or tarnish the party's good name by lending a fictional legitimacy to such authority," and "not to solicit any positions of responsibility for its militants that lack a mandate of the people."

It thus appears very likely the transition will go forward without the participation of Mr. Mehri's party, since the latter does not approve the presidency's handling of the transition period in accordance with the "national consensus platform." According to the political bureau, "prolonging the transition period for three more years to pursue the same policy followed since the interruption of the democratic process, designing structures to implement it, and continuing to ignore the people's will...does not contribute to political pacification or resolve the serious, complex crisis consuming our whole society."

The political bureau added nothing to what it has said before about what is needed to resolve the crisis. The only thing missing from the bureau's letter was the party's previous appeal for "an in-depth and broad dialogue." A constant theme in the FLN's earlier statements, it was omitted, curiously enough, from the bureau's letter to Mr. Khatib. In fact, no mention is made of participation by the now-dissolved FIS [Islamic Salvation Front] in such a dialogue, despite the fact the FLN has always claimed such participation was a vital necessity in any search for a solution to the crisis. It may be stretching a point to speak of a "change" in the FLN position on the issue, but the question is worth flagging.

The expected defection of the FLN, followed probably by other parties that hold similar views about the dialogue, places the presidency in an awkward position as it proceeds to set up the transition structures, beginning with the National Transition Council at the end of this month.

A close analysis of the statements of the various political parties—some of which admittedly are resorting to hyperbole in an effort to increase their influence—would suggest the future "assembly" may be composed of little more than the representatives of civil society and a handful of fairly small political parties.

Indeed, all indications are the transition process will be carried out with the cooperation of the very same forces that participated in the national conference and adopted the "national consensus platform." Some observers are already raising the question of the "legitimacy" of the transition structures, especially the future CNT, from which the most influential parties, the most obvious candidates for membership, have been excluded. President Zeroual's plans already have been thrown off schedule by the departure of the Redha Malek government; now the presidency has only a few more days to convince all sides to participate in the transition phase.

Struggle of Public Firms; Cadre Flee

94AF0182A Paris LA TRIBUNE DESFOSSÉS
in French 12 Apr 94 pp 16, 25

[Article by Akram Belaid: "Economic Elites Embittered"—first paragraph is LA TRIBUNE DESFOSSÉS introduction]

[Text] The imminent accord between the IMF and the Algerian Government is not going to ameliorate the plight of cadre and heads of enterprises. The latter live in fear of terrorist attacks against themselves or their businesses. And they feel they are kept poorly informed about current economic conditions in Algeria...

0930. Hamoudi Belatache, general manager of an EPE (economic public [i.e., parastatal] enterprise) that specializes in distribution, finishes reading the four major local French-language dailies. "For some months now," he sighs, "the only economic news I get comes from the newspapers." Most public-sector industrial leaders are in the same boat. Political uncertainty and questions about the future are making both supervisory ministries and participation funds (similar to boards of directors on which other EPEs hold seats) increasingly tight-lipped. Many managers complain of being kept in the dark about developments in the just-concluded negotiations with the IMF (see LA TRIBUNE of 11 April 1994) and decisions coming in the next few months about the restructuring of the Algerian economy. "The metaphor of a ship captain battling the storm alone is not too strong," says Hamoudi Belatache. "Today, everyone knows things are going to change, but I can't even allay the misgivings of my executives or other employees by telling them what is going on. How can we talk about 'motivation' when the very survival of the enterprise as an economic unit is in question?"

Two days before, three men armed with automatic rifles appeared on the premises of the enterprise. A guard, seriously wounded, managed to sound the alarm. Firemen responding to the alarm were able to save a large part of the company vehicle fleet from the fire the terrorists had set in an effort to destroy it. The damage: a truck destroyed by fire, and the departure of three guards whose families received threats the day after the attack. The past year has seen an ever-increasing incidence of arson, sabotage, and hold-ups targeting public enterprises. Many industrialists say security has become a major concern in their everyday lives. "I'm looking out first of all after myself," one of them confides. "As manager of a public enterprise, I am seen by the terrorists as an accomplice of the state. We are under as much of a threat as journalists and intellectuals. A friend pointed out to me the other day that the fact I have a duty vehicle and driver could make them mistake me for a government official—except that I don't get the same close protection." So this manager no longer keeps regular hours or arranges appointments over the telephone, trembles whenever his secretary announces visitors, and compulsively calls the office three times a night to make sure

all is well. Despite all the terrorist attacks, the Algerian Government does not seem to be moving quickly to respond to industry's need for protection. The much-publicized addition to the security forces of the first graduating class of security agents is not enough to calm employers' fears. "Arson destroyed part of our facilities," explains the manager of a furniture manufacturing company. "We're still waiting for supplemental appropriations to install effective systems." Installers of alarms, anti-intruder systems, and remote surveillance equipment are overwhelmed by requests for estimates, but firm orders are few and far between. "I wonder sometimes if the state really knows what's going on," muses the manager of Secu-electro, a small PME [small or medium-size enterprise] specializing in industrial security. "Every day our technicians visit Algerian companies where it would be child's play to gain entry and set a fire."

Image Problems

So far, most public enterprises are doing well just to post sentry teams composed of regular employees. "It would be stretching the truth to say all workers feel personally concerned about this," says Hamoudi Belatache. "Motivating them by trying to tell them that because the enterprise is partly theirs they owe it to themselves to protect it amounts to reviving demagogic slogans of the socialist era that no one wants to hear anymore."

Years of centralized, bureaucratized management have also tarnished the image of managers. Most blue-collar workers still equate them with the nomenclatura of the old regime and believe all their managers, with or without diplomas, are equally incompetent. So it is difficult, at a time of rumors of massive layoffs, to be candid with employees, especially since the majority of them voted for the Islamic Salvation Front [FIS]. Interior Minister Selim Saadi acknowledged recently that some workers had been involved in setting fires at their own enterprise, often under duress but sometimes on their own initiative. Unthinking, vindictive actions... "As a general rule, Algerian employees do not like management," says Hamid Larbaoui, instructor at the Advanced Institute of Management and Planning. "Under the circumstances, the heads of public enterprises oscillate between authoritarian and paternalistic approaches, both of which tend to engender hostility. The contradictions are exacerbated, naturally, by the climate of violence raging in our country, and the company's internal cohesion is put to a rugged test."

Even while faced with the urgent need to cope with a deteriorating security environment, public-sector enterprise managers must try to keep up production levels. The growing scarcity of foreign exchange and drastic reductions in raw materials imports have caused industrial production levels to plummet to less than 50 percent of capacity. "The situation is almost catastrophic," says the manager of a garment factory. "We produce little, and what is worse, we sell little." It is easy to see why. The crushing weight of external debt, which leaves nothing left for investment, is one of the prime villains.

Also cited repeatedly is unfair competition from the black market, which imports the finest quality Western products from Tunisia and Morocco on a massive scale. But few managers questioned admit the need to completely rethink their production options and the way their company is organized, even though restructuring is the order of the day. Last autumn, a report prepared by experts underlined the necessity of rethinking Algeria's development model. The entities most directly affected, public enterprises, are marking time, waiting for their fate to be decided, while local experts entertain serious doubts about the ability of managers now in place to implement the coming reforms.

"The majority of public enterprises have been audited by international research consultancies," explains an official in the Ministry of Industry and Mines. "We have concrete solutions that will make the EPEs the spearhead of economic activity. What we do not know, though, is whether the public-sector enterprise managers are going to work with us." The latter say they are ready to adapt to the market economy. "I hope at last I will have the chance to do what I am professionally trained to do," says the manager of an enterprise that manufactures industrial machinery. "We have never had the means to be managers. The enterprise was always subject to outside influences. Interventions by the minister or politicians were and still are pervasive in every domain. If I issue a call for tenders, I know the choice of foreign supplier will not be ours. If I start hiring, I will have a dozen applicants forced on me, and if I decide to fire an insubordinate executive, I will come under pressure from every direction to rehire him." Educated at elite institutions, dispatched frequently on "overseas missions," Algerian managers dream of being able to put into practice the expertise that local exigencies have always relegated to the backburner. "In the meantime, we content ourselves with managing day-to-day activity," Belatache confesses. "That means signing documents put in front of me and receiving the occasional Western commercial representative stationed in Spain, analyzing for the nth time our plans—temporarily on hold—for a partnership with some Italian firm."

Optimistic in spite of all obstacles, public-sector employers hope the successful IMF negotiations will presage a long-awaited break with 30 years of statist economics. That question is on everyone's lips, even though many local officials are predicting that the Algerian state will do everything possible to "rehabilitate" the EPEs. "Many employers are uncomfortable about seeing their enterprise privatized," admits a member of the national union of public entrepreneurs [UNEP]. "Some, naturally, are afraid of losing their job, but a fair number simply mistrust private entrepreneurs, whom they judge very harshly."

Long marginalized, the private sector is gradually coming out of the shadows. Employer associations have become indispensable partners in the social dialogue, while large financial groups have been put together to prepare for the

opening of the economy. But few Algerians believe private-sector industrialists will be able to play a dynamic role. Redha Hamiami, himself both an entrepreneur and minister for small and medium-size enterprises, admitted recently that the private sector did not have CEOs able to become competitive managers in the global marketplace. In the end, the minister says, it will be necessary to call on managerial skills of foreigners and encourage public-sector managers to start up their own enterprises. "We're just like the public sector," shrewdly observes one official in the Algerian Employers Confederation. "It is true we have never had the benefits that were showered on the EPEs, but most of us still depended on state-imposed protectionism for profitability. Decontrol of foreign trade is going to cut a wide swath of destruction. At present, and with very few exceptions, our manufactures aren't competitive—even within the Maghreb."

Battle for Finance

Little by little, a new breed of employer is emerging. The majority are young, most have attended an Algerian university, and they have decided to create their own business rather than join the swollen ranks of executives in the state-owned companies. "I don't have anything to do with the branch of the private sector that has grown fat under the protection of state monopolies," claims Azzedine Fares, who heads a printing house in the suburbs of Algiers. "Being a young private-sector entrepreneur in Algeria is a constant struggle." There's no lack of battles, and the biggest is the battle to obtain financing to support production. Azzedine must constantly "chase after black-market foreign exchange." The French franc is worth 13 dinars on the parallel market, while the official rate is 4:1. "The private operators that meet at the big hotels in the capital and owe their fortunes to the largess of the system under Boumediene and Chadli are not having problems. They know where to get lines of credit, and they jealously guard that sort of information," says Azzedine, who hopes to form an association of private entrepreneurs. (If established, it would be the fifth of its kind, as Algerian entrepreneurs are incapable of unifying.)

The only thing that unites the private operators are the "shakedowns" that victimize them all. Karim Zerrouki, who heads a construction company, is among those who has "paid." On the order of a hundred million centimes, in a series of small installments, and there is absolutely no way he can afford to report it to the police. The scenario is almost always the same. First comes a letter telling the private-sector CEO "to prepare to contribute to the war effort." Next comes a telephone call setting forth the amount to be paid, and finally an impromptu visit by several young men, always elegantly dressed, to pick up the cash. Sometimes, what is even more terrifying, a letter is delivered in the name of the Armed Islamic Group or the Armed Islamic Movement. "There is nothing to be done about it," says Karim Zerrouki. "Even private-sector industrialists who are tied in with politicians opposed to the Islamists have paid. You have to budget for shakedowns the same way you make provision for possible

losses on currency exchange, the erratic tax regime, and inflation in the price of foreign currency on the black market."

In all these tribulations, it is the managers of the local public enterprises (EPLs) that suffer most. These small state-owned PME's, mostly operating in the red, may end up being sold on the auction block to the highest bidder—a scheme that the government of Redha Malek, which resigned yesterday, refused to give up despite protests from the unions, though it did agree to postpone implementation until after the forthcoming devaluation of the Algerian dinar. "It has now been more than six months since our workers have been paid," explains the manager of one EPL. "The banks do not want to hear about it, and the government, after an initial effort at financial reform, announced a year ago it was going to sell the EPLs. The workers are frustrated, hanging on to the hope the enterprise will be bought by a rich private investor with deep pockets." This embittered manager, who hopes to find a position in an EPE, notes nothing is being done to prepare public-sector managers like himself for the change. Many EPL managers are trying to create an association to lobby against systematic privatization of the local enterprises. "The state has never listened to the voices of public-sector enterprise managers," regrets one member of UNEP, "and it is greatly to be feared that the liberalization under way will blow us away like straw in the wind."

Brain Drain

Engineers, architects, doctors, young graduates, and experienced managers are leaving Algeria in ever larger numbers. In the last few months, the trickle has grown to a veritable hemorrhage. "I'm getting out so my daughter can get decent schooling," said Kader, a department head at Algiers effort, the other day. The slow decay of security conditions and the very real fear of a sudden slide into civil war are spurring many of the Algerian elite to emigrate. Morocco and Tunisia are the most popular destinations, far ahead of France. "Mr. Pasqua can relax," quips Hadi Moncef, head of an agrofood enterprise. "Algerians with diplomas or money know it will be 10 times as easy to relocate in the Maghreb as in France, to which it is almost impossible even to get a simple tourist visa!"

Many private-sector entrepreneurs have resettled in Tunisia, especially in the Zarzis free zone or in the Tunis suburbs. No visa or work permit is required, and Algerians there are standing in line for jobs, mostly managers from the public sector who decided they have had enough. "Setting up a company is much easier in Tunisia than in Algeria," gloats an entrepreneur in the construction field who liquidated all his assets soon after the failure of the national dialogue conference. "And I can hire Algerian cadres who would never have agreed to work for me in Algeria."

By contrast, relatively few entrepreneurs have installed themselves in Morocco, though the latter attracts a goodly number of Algerians with graduate degrees and former public-sector managers. "Morocco and Tunisia

will reap the benefits of Algeria's education policy," drily notes an official in Algeria's Education Ministry. According to a recent study made by a private consultancy for a Western client, two out of three white-collar Algerians are considering leaving Algeria before the end of the year.

The prospect disturbs both political decisionmakers and employers, confirms Ould-Khallef Farid, a member of the Algerian Employers Confederation. "The departures will be bad for the economy here. Liberalization of external trade and future privatizations will create a large demand for expertise and professional experience that is going to be difficult to meet." Many specialists note too that, in contrast to the trend in the 1980's when numerous students on scholarships defected overseas, it is experienced cadres that are leaving now.

Not even the flagships of Algerian industry have been spared. Thus training program officials at Sonatrach [National Company for the Transport and Marketing of

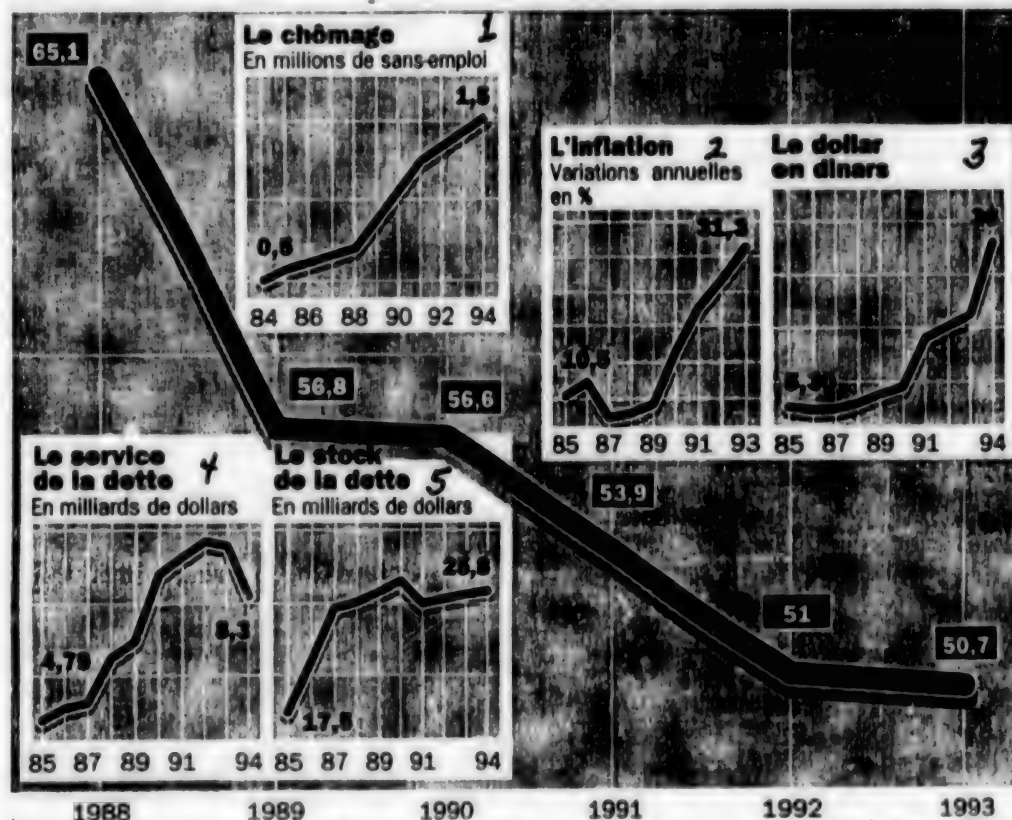
Hydrocarbons], a state-owned oil company that has been largely immune from austerity, admit they now think long and hard before sending cadres to training programs overseas. "Any training abroad will improve their resume," admits one computer engineer who hopes to be able to emigrate legally to Canada.

"We talk a lot about the flight of the intellectuals," concludes a functionary in the Ministry of Economic Affairs, "but the emigration of employers, managers, and white-collar employees is more serious, even if less publicized."

Footnote

¹ There are two types of public-sector enterprises in Algeria. Economic public enterprises, EPEs, are an outgrowth of the restructuring of big state-owned companies in the early 1980's. The local public enterprises, EPLs, are smaller—rather like public-sector PME's—and they are owned or controlled at the local government level.

Algerian Economy: Industrial Capacity Utilization Percentages (exclusive of hydrocarbon sector)

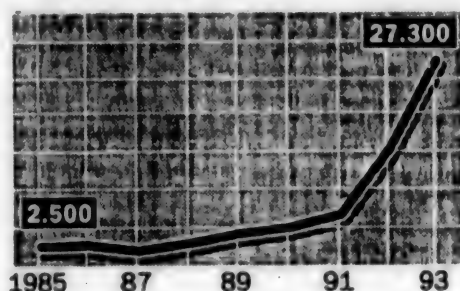


Principal economic indicators show the failure of Algeria's socialist development model. Sources: Algerian Ministry of Economic Affairs, Algerian National Office of Statistics, Bank of Algeria.

KEY:

1. Unemployment (millions of jobless)
2. Inflation (annual changes of percent)
3. Dinar/Dollar Exchange Rate
4. Annual Debt Service (billions of dollars)
5. Total Debt (billions of dollars)

Flight of Educated Cadres: Permanent Departures Overseas (both young and experienced cadres)



Source: EP (Studies and Forecasts - Algiers Research Bureau)

Potential Consequences of Devaluation Discussed

94AF0179B Algiers LIBERTE in French 10 Apr 94 p 3

[Article by M. Kheireddine: "The Devaluation: The Fallout and the Consequences"]

[Text] Since the Algerian economy is too dependent on imports, as exports with the exception of hydrocarbons have barely much importance, the effects of an increase of the value, in dinars, of petroleum receipts (an increase in tax receipts and a reduction of the budget deficit) are blurred in the face of the negative fallout of this harsh devaluation.

First negative effect: an increase in prices for imported products. This measure will affect products that are widely consumed: bread, milk, semolina, and flour.

The recent price increases for these subsidized products, which conveyed the determination of the government vis-a-vis the IMF, anticipated the present devaluation. The Economy Minister, Mr. Benachenhou, had said regarding this first increase that prices were still far from their real cost. Given the extent of this devaluation, it is certain that these basic products will again experience a major hike.

Other essential products such as cement, wood, iron, and cement will rise in price, thus worsening difficulties for those who do their own building.

The slim hope of getting housing cherished by a large part of the population would seem to evaporate with this evaluation. The 1991 dinar devaluation experience can enlighten us about the devastating effects of a major depreciation of the local currency. That depreciation had led to a major price hike and made the financial difficulties of businesses more acute. Public and private sector businesses, which have not yet recovered from the effects of the dinar's 1991 devaluation, risk going under and not escaping from the collapse. Unless the government decides to cover businesses' exchange losses and

thus give them new financial support, which is something that risks aggravating the budget deficit, an outcome that is opposed to the objectives of the measures drawn up jointly by Algeria and the IMF, i.e., seeking to control the budget. When businesses' financial difficulties are aggravated, they will also be tempted into compensating for exchange losses by increasing production costs. Roughly speaking, if today a mechanism to protect the less fortunate is foreseen, the process of erosion on the purchasing power of that segment of the population with low income resulting from the devaluation cannot be halted by a similar arrangement.

At best, the social safety net softens the consequences of a deterioration of their purchasing power.

Furthermore, the fallout from a devaluation of the dinar will especially affect the middle class. The pauperization of this large swath of the population, which accounts for the "mainspring" of Algeria, will not take place without there being damage to the country's activity.

The goal pursued by the IMF through its Structural Adjustment Program (SAP), which will be applied to Algeria—the devaluation being a measure that is part of the SAP—is to contain demand by households and businesses.

In simple terms, Algeria is living beyond her means. She needs to reduce consumer needs and achieve a balance between demand and goods put on the market. This return to universally accepted economic rules constitutes, according to the international financial institution, the sine qua non to regain the path to growth.

In exchange for this sacrifice made on the population as represented by the loss of its purchasing power, Algeria will receive the financial support of the IMF and her traditional creditors and will be able to reschedule her debt.

This will avoid stopping payments during the second quarter of 1994.

National March Planned on May 1st

94AF0175D Algiers EL WATAN in French 12 Apr 94 p 1

[APS article: "May Day: Associations Join in a March Against Terrorism"]

[Text] Professional trade unions and sociocultural associations met yesterday at Press Headquarters in Algiers in order to organize a national march against terrorism for May Day.

The chairman of the organizing committee, Mr. Mahmoudi, stated that this national march would be one of "all workers and citizens who are opposed to terrorism" and "are for civil peace." The route for the march, it was said, goes from Martyrs Square to May Day Square.

"Eighty-seven (87) associations have joined in this initiative, which is of a nongovernmental, nonpartisan nature," said members of the organizing committee, which is made up of the UFCA (Union of Algerian Financiers and Accountants), the AJA (Association of Algerian Journalists), the AAA (Association of Algerian Architects), the association of imams, the national association of telecommunications engineers, the Association in Memory of Mohamed Boudiaf, and the national coordinating board of womens' associations. The organizing committee is also in contact with the UGTA (General Union of Algerian Workers) so as to link the main trade union organization with this initiative, it was added.

Furthermore the committee anticipates launching an international caravan including artists and cultural figures who will give talks to make international opinion more aware of the situation in Algeria, and in the future sponsoring charitable events to bring in gifts to benefit families which have been victims of terrorism.

The caravan will go, it is hoped, if sufficient means are collected, to Brussels, Paris, Rome, Montreal, Washington, and Tunis.

The committee will also speak with the ENTV and the ENRS (television and radio) to organize a May Day telethon to assist families that have been victims of terrorism.

Burning, Mutilation Prevent Body Identification

94AF0175C Algiers *LIBERTE* in French 5 Apr 94 p 4

[Unattributed article: "The Djaffar El-Afghani Group: Five of Its Nine Lieutenants Not Yet Identified"]

[Text] When the security forces broke up the Djaffar El-Afghani group in Bouzareah, in an area overlooking Algiers, nine terrorists including Djaffar El-Afghani were killed. This group, we would remind [readers], was preparing to commit crimes and set fire to businesses throughout the entire month of Ramadan.

It was a diabolical operation that was halted by security forces.

Now if Djaffar El-Afghani, the presumed head of the GIA [Armed Islamic Group], and five of his other lieutenants have been identified, the others have not, it has been learned from a well-informed source.

The same source said that their identification is under way. Let us observe that terrorist groups, to prevent any identification of their members struck down by security forces, use a method that consists of burning or mutilating the bodies.

Benachenou Rejects Privatizing State Companies

LD0405134294 Algiers Radio Algiers Network in Arabic 1200 GMT 4 May 94

[Excerpt] [Passage omitted] The minister of industrial restructuring and participation yesterday cleared the confusion surrounding the possible privatization of state-owned companies. The privatization of state-owned companies is impossible, Mr. Mourad Benachenou said during his address yesterday to private contractors on the occasion of a workshop organized by the minister of small and medium-sized enterprises at Sofitel Hotel in Algiers.

Mr. Benachenou indicated that his mission, in the new ministry, does not mean that the state is abandoning public productivity but rather restructuring the public sector on the basis of efficiency and cost-effectiveness.

The social situation constitutes another obstacle to the privatization of state-owned companies. Mr. Benachenou pointed out it is impossible to compromise the rights of workers at the expense of a national economic ideology and then adopt that same ideology.

Mr. Mourad Benachenou has also shed more light on the link between restructuring and privatization and said:

[Begin Benachenou recording] This operation is going to follow and reinforce the operations aimed at ensuring the monetary and financial stability we have negotiated with the IMF. Anyone who twists the meaning of the discussions on industrial restructuring and establishes a link between this restructuring and privatization is reducing the importance of the mission of this new ministry, which was added to the new government. In any case, the main problem is to make the productive sector more efficient, regardless of its legal status, whether in the public or private sector. [end recording]

UGTA Leader Dissatisfied With IMF Agreement

LD0405142494 Algiers Radio Algiers Network in Arabic 1200 GMT 4 May 94

[Text] The proceedings of the Executive Committee of the General Union of Algerian Workers [UGTA] opened this morning at the Palais des Nations, Club des Pins [a conference hall in an Algiers suburb] to examine and assess the activities of the union's National Secretariat, prepare for the forthcoming congress, and adopt a decisive position on the country's current situation. Over to Mahfoud Mennane with the following dispatch:

The proceedings were opened by the union's secretary general, Mr. Abdelhak Benhamouda, who touched on several topics, including those relating to organizational and legislative matters and to the preparations for the union's forthcoming congress. In his opening address, Mr. Benhamouda talked about several issues, including the current political and economic situation in the country and the pressures to which the union is being subjected.

Regarding the economic issues, particularly those relating to the government's agreement with the IMF, the leader of the trade union expressed his dissatisfaction with this agreement, for as he put it, it will have negative repercussions on the working class in our country. He added that the trade union had not been informed beforehand about what was going on during the negotiations with the IMF.

As regards the negotiations between the trade union and the government, Mr. Benhamouda said that the union had made enormous efforts to clinch some of the workers' rights. He added that what has been achieved is the minimum until the file of wages is opened. During this meeting, Mr. Benhamouda expressed the trade union's fear for the workers' future in view of the trend towards privatization. In this respect, he had this to say:

[Begin Benhamouda recording] There are many Algerians who say—even just from an economic point of view for we must talk about economic efficiency—that if you hit the public sector now the crisis will deepen and will not be resolved. Why? Because the Algerian economy depends, for 70 percent, on the public sector. Therefore one cannot destroy or hit 70 percent to depend on the remaining 30 percent. Furthermore, these 30 percent also depend on these 70 percent. [end recording]

It is worth indicating that at this very moment the proceedings are being held behind closed doors.

UGTA Adopts Resolutions, Seeks Dialogue With Government

LD0605005394 *Algiers Radio Algiers Network in Arabic*
2200 GMT 5 May 94

[Text] The proceedings of the seventh ordinary session of the National Executive Committee of the General Union of Algerian Workers [UGTA] were concluded today with the adoption of a number of decisions to confront the present social and economic situation.

Among these decisions is warning the authorities of the consequences of procrastinating in responding to the workers' previously expressed social and economic demands; opening talks with the government; and also demanding an increase in wages and the minimum wage level in accordance with the price pattern known by the market. Additionally, the decision notes the need for concluding social laws for strengthening workers' deteriorating purchasing power, protecting the public sector, and preserving jobs. Reference has also been made to the use of all legitimate means to prevent the privatization of public enterprises.

EGYPT

Upgrading International Export Marketing

94LD0019B *Cairo AL-WAFD in Arabic* 16 Mar 94 p 3

[Article by Sami Abu al-'Iz]

[Text] Egypt has a number of commissions and authorities created to oversee the exportation of Egyptian goods. These include two commissions headed by the prime minister, Dr. 'Atif Sidqi: The High Commission for Export Promotion and the Supreme Export Council. A third, headed by the economy minister, is the Export Promotion Commission. There are also numerous others, including the Central Council for Export Promotion, the Commission for Export Support, Export Oversight Authority, and the Export Development Bank. Dr. 'Atif Sidqi announced at a recent meeting with the Federation of Industries and Chambers of Commerce that he would soon create [another] high commission for export promotion, to be headed by him.

How much longer will the government keep on forming commissions that convene and meet to no other end than the formation of still other commissions and organizations, thereby restarting the cycle anew without the adoption of effective measures? How much longer will government policies continue to be mere slogans and more commissions that exist on paper only and are removed from reality? Do we in fact have need for new commissions to promote Egyptian exports? What are the obstacles difficulties that prevent existing commissions from doing their job? How can we free Egyptian products from the bottleneck and ease their flow into foreign export markets in order to compete with international products?

The strategy for economic relations with the outside world determines the course such relations must take in the years to come. As such, they are supremely important, have the most profound impact on the development of the national economy, and are inexorably tied to and have a correlation with domestic economic policies and with regional and international developments.

A report issued by Specialized National Councils pointed out that the primary purpose of devising a strategy for economic relations with the outside world is to cultivate contacts that will lead us to define objectives for that strategy that would serve the public interest at the various stages of the national economy, ensuring that those objectives are in harmony with domestic economic policy objectives and with the capabilities of the national economy as well as with the world economic developments, especially international trade, capital movements, and the type and intensity of competition in world markets and the regional and international combinations that govern them. Once the objectives of the new strategy are defined, policies must be devised for their realization.

A specialized report emphasized that, in the absence of a clear international economic strategy, the various economic policies being pursued will, in fact, result in a haphazard strategy lacking a logical method for defining objectives and policies established to achieve them. Such a strategy will also not take into account the coordination of these objectives with other national

economic goals as well as regional and world developments. This is the basis upon which the policies that will achieve those objectives will be selected.

The report discusses the current status of our economic relations with the outside world and points out that the trade balance of commodity exports and imports has been consistently in deficit over the years. The trade deficit gap widened from 64.1 million pounds in 1952 to 162.4 million pounds in 1970 to 19,115.8 million in 1989/90, for a 300-percent growth. The trade deficit is worsening because commodity imports are growing at a faster rate than commodity exports; the ratio of exports to imports having declined from about 70 percent in 1952 to about 23 percent in 1989/90. The ratio of the trade balance deficit to GDP is also considerable.

Raw cotton is no longer in first place among commodity exports. Whereas it accounted for 85 percent of total exports in 1952, now it is almost not exported and accounts for only 33 percent of aggregate exports in 1989/90. If we factor in Egypt's imports that year of short-staple cotton, it becomes clear that Egypt has become a net importer of cotton.

The report went on to point out that the character of the balance of payments in previous years is but the end result of the strategies pursued in those years, whether deliberate and planned, as such, or simply the cumulative outcome of successive decisions and choices made over time. But those developments mandate a reevaluation of Egypt's strategy for its economic relations with the outside world in order to keep it in tandem with domestic and international developments and in order to optimally serve the interests of the Egyptian economy.

The report urged that industrial and agricultural commodity exports and tourist revenues be increased at higher and accelerating rates—since these components inevitably carry the major burden of accomplishing the desired balance of payments. However, this in no way ignores or diminishes the importance of other balance of payments revenues.

The report also advised that agencies with oversight over commodity exports should be scrutinized again in order to facilitate and abbreviate the procedures involved in dealing with them. Stricter standards should be enforced in order to improve the quality of exports to the level necessary for efficient competition in overseas markets. Government and quasi-government agencies concerned with foreign trade and its development should undertake detailed marketing studies of potential exports and of likely markets, and should publish those studies and make them available to all who are involved with exports in Egypt.

The tax structure and the various fees applied to exports should also be reexamined. Export operations should be granted ample and wide-scale exemptions. The pricing system for agricultural exports should be abolished. Relations should be bolstered with economic blocks in Europe, Asia, and the Western Hemisphere. For our

exports to those blocks, we should seek the same preferred nation treatment granted other categories of developing nations.

Will the commission soon to be formed under Dr. 'Atif Sidqi keep those considerations in mind? Will it accomplish its targeted objectives in order to enable Egyptian exports to compete in world markets?

Change of Policies

Egyptian exports, including petroleum, have a total value of \$4 billion. The value of petroleum exports is slightly more than \$2 billion. Exports other than oil are valued at less than \$2 billion, according to economic experts who point out that this ratio is minimal in comparison with many other countries. We are supposed to bring the volume of exports up to a reasonable level since our exports are currently at no more than 5 percent of GDP. We must bring this ratio up to at least 15 or 20 percent. This means that we must boost exports threefold. This would require a lot of things, such as improving and raising performance levels in order to compete in world markets. We must begin by identifying that group of goods in which Egypt could have a comparative advantage and, consequently, with which Egypt can face world competition. We should also produce products suitable to the tastes of consumers abroad. The study of foreign markets, their needs, patterns of consumption, and specifications of popular goods is therefore of value for promoting future exports. We must wade through the arena of establishing export services companies whose preoccupation would be to study markets and their needs and define specifications for the products they want, thereby establishing a link between Egyptian producers and foreign importers.

Experts likewise emphasize that we must change our mind-set, from merely exporting surplus to establishing firms for the sole purpose of exporting. We should also attempt to prepare ourselves for world market developments, and the liberalization of foreign trade, anticipated as a result of signing the Uruguay Round agreement. This requires effort on the part of Egyptian exporters in order to meet the challenge of penetrating world markets and protecting domestic industry by improving quality and features and offering products at reasonable prices.

Pressures

Dr. Ahmad al-Ghandur, formerly dean of the faculty of economics, points out that the Cabinet has instructed the economics minister to form a general committee to study the economic impact of the new GATT agreement and formulate future economic policies in order to take advantage of the agreement and avoid its negative impact. Such is a commendable action taken by all countries. However, that committee's report should avoid generalities and should draw a detailed future program. I believe that this is no more than tactics, since we have persistently taken a flawed approach to the

export problem long before the current cabinet. To promote exports is to restructure the Egyptian economic structure. Resolving the problem of exports in Egypt, in the sense of relying on exports as an essential means requires changing the nature of the Egyptian economic system by focusing its policies, procedures, and administrative structure on reducing production costs, improving product quality, linking the Egyptian economy to the outside world with advanced information systems, and giving enlightened institutions charge of the new national undertaking, because this is a matter of "life and death."

In dealing with the export problem in this fashion, the Ministry of Economy and Foreign Trade has equal, if not less, responsibility for exports than the Ministry of New Urban Communities. Building worker housing in new cities helps exports more than anything imaginable that the Ministry of the Economy can undertake at the present time. The Ministry of Industry could likewise do more for exports than the Ministry of the Economy by offering technical assistance to all industrial units in Egypt. The same goes for other ministries.

Dr. Ahmad al-Ghandur, commenting on the story about creating a new export commission in the next few days, said that the only explanation for this is that the government is under pressure to transform the Egyptian economy into an export economy in order to break free of the current crushing crisis.

Another explanation he cited was that all previous export promotion commissions and institutions have had very little output and that the prime minister has come to believe that the solution lies in changing the nature of the economic system in its entirety. The creation of the new commission is therefore dictated by political considerations. All we have to do is quicken the pace of our basic thrust to transform the economy into an export economy and simultaneously announce the failure of steps based on the philosophy rooted in creating one institution or making minor adjustments to another. People are well-aware that the institutions created for that purpose have failed to achieve their goals and that export promotion has been relegated to the media "headlines." Focusing on the actual performances of institutions such as the Export Oversight Authority, the Export High Commission, and the Export Development Bank, and others, we find great disparity between nomenclature and function. Exporters view the performance of Export Oversight as restraint of the export function that does not go beyond good intentions. The Misr Export Development Bank is no different in function or performance from any other commercial bank.

The Bottleneck

"We all must concur that we need to promote exports and that that is a major development for us if we are to emerge from the bottleneck and overcome our balance of payments and general budget deficits," thus began Dr. Hasan Ghallab, dean of the College of Commerce at

'Ayn Shams University. He explained that there is no disputing the need for a commission that would work to provide the elements needed for the promotion of exports; but that the multiplicity of commissions without well-defined responsibilities causes the emergence of conflicting procedures, except perhaps if the creation of the proposed commission means making its predecessors obsolete. The methodology of providing procedures conducive to export promotion is a function of market mechanisms and also a function of other societal factors and variables. The strategy, for instance, is to avoid exporting products that society needs, especially at prices lower than those of comparable imports. In other words, there is no harm in exporting a product that has a substitute of reasonable quality that can be imported at lower cost. Naturally, both products cannot be of identical quality if imports are lower in price. Furthermore, there are certain products that distinguish the Egyptian market, for example long-staple cotton. There is no reason at this time why we should not import short-staple cotton, since it is cheaper, while encouraging the export of long-staple cotton, provided that Egypt has mechanical systems capable of the optimum utilization of imported products. We should not lose sight of production for the sake of export promotion. It should be noted that I would not permit the exportation of certain commodities and encourage the importation of alternatives if costs to importers were lower since that would create idle capacity in society at a time when the state is diligently seeking a solution to the unemployment problem. The proposed commission must also simplify export formalities."

Dr. Ghallab concluded: "I hope that the issue of export promotion will not come at the expense of what is necessary to keep food in people's mouths. I also hope that export revenues of foreign currency will be retained in the country and put to work here; and that the magnificent national capitalism would restore the glory Egypt once had in the era of Tal'at Harb, 'Abbud Pasha, and other ingenuous patriotic businessmen."

Production and Marketing

If the issue of export promotion is an important matter for the economies of all countries, then the success of that policy would depend on two important factors—production and marketing, and opening new markets, according to Dr. Faraj 'Abd-al-Fattah, instructor in economics at Cairo University.

On production, he says that we must utilize the concept of comparative advantage when producing all products by determining that their requirements are particularly available plentiful and that conditions are conducive to their production—farm products, for instance. The concept of comparative advantage-based production means producing at world standards but with less cost than in other countries. For marketing purposes, we must promote our output through the coordinated efforts of sponsors as well as of diplomatic missions (trade representatives) in various countries. This would necessitate

scrutinizing many aspects of marketing, such as the positions of our competitors in those markets as well as consumer tastes in those markets, their incomes, and the degree to which they would accept substitute products.

It takes this two-pronged approach to develop and revive our exports. A single approach is not sufficient to market a product and export it. That product must first conform to international standards and must be produced at low cost. But markets must also exist.

The professor of economics added: "The uniform tax law provides exporters with tax incentives in order that they may boost their exports, but this is not sufficient in itself. Exporters need the availability of extensive but reliable information in order to accurately define their markets. Such an information network should be a priority of the various commissions concerned with export promotion."

Export Surge

Dr. Rida al-'Adl, professor of economics at 'Ayn Shams University's College of Commerce, has no objections to adding new commissions to those already in existence or to restructuring existing commissions or redefining their functions, because this is all perfunctory and natural. The issue of forming a new commission headed by Dr. 'Atif Sidqi may explain the special importance currently attached to exports which have become a question of life or death for us. If we could sustain current markets as we penetrate new ones, we could first utilize idle capacity and develop new production lines to create new jobs for workers, raise incomes, and improve development in general. This applies to all sectors whose products or services may be in demand abroad. Exports today are the checkpoints on the road to economic prosperity, and a new high commission must be created for them. Egypt has great economic potential, but actual exports are low. We must diligently work for a substantial surge in Egyptian exports.

Duplication

Economist Dr. Sharif Lutfi believes that some of the agencies that oversee exports, such as the Export Development Bank, have distinct functions that they are indeed performing. Commissions concerned with policymaking, on the other hand, include some that were created but have never functioned and therefore do not get to practice their specialties.

He said: "I am less concerned with commissions than I am with the policies pursued, because it is those policies that will determine our success or failure in export promotion. Such policies include aspects dealing with taxation, with shipping exports and raising them to the standard needed for exportation, and with government or private efforts to expand export markets.

"In any case, it is necessary that exporters participate in devising and categorizing such policies so they will not exclusively reflect government outlook that may be removed from commercial reality.

"It is also of value to select a number of nontraditional exports and focus on propelling them in such a manner that the push is concentrated on a limited and specific number of nontraditional exports. When we have succeeded in doing this, then we can move on to another group of nontraditional exports in order to expand their markets.

"Pound exchange rate policies must also be taken into consideration because of their great impact on export profitability."

Various Officials on Improving Export Market

Economy Minister, Trade Leaders Views

94LD0024A Cairo AL-MUSAWWAR in Arabic
18 Mar 94 pp 18, 19, 72

[Article by Majid 'Atiyah]

[Text] Export is a national goal and the priority of the day in the national action program. Export means increasing output capacity and employing all productive capacities in society. This in turn means expanding activity areas and absorbing a percentage of existing unemployment to "lift" the Egyptian economy from "stagnation" to "recovery."

However, exporters face procedures that limit their activity. They must pay fees, which increases the cost of goods and makes them unable to compete in foreign markets.

An exporter must pay eight different fees, the most recent of which is an explosives detection fee, even though security is the responsibility of the state, not exporters. That fee alone brings in 15 million Egyptian pounds per year.

An exporter must also pay the value of 18 stamps; submit about 15 documents, including a certificate, a form, a license, an invoice, a receipt, etc.; and go through about 45 steps to complete export procedures. This, according to a report prepared by a joint committee of the Finance and Foreign Trade Ministry and the Federation of Industries. The report, submitted to the prime minister, "defines" problems and "recommends" solutions. Prime Minister 'Atif Sidqi told me, following one of these meetings, chaired by President Husni Mubarak over a two-day period to discuss increasing exports with relevant ministers and heads of industrial and trade organizations, that he considers export "a key" to solving existing economic problems by stimulating output, increasing investment, and creating new jobs, which will drive the Egyptian economy into the "boom state" for which we all are striving. Prime Minister Sidqi said that we want to plan to push export capacity into the tens of billions of dollars annually.

Economy Minister Mahmud Muhammad Mahmud told me that the problem is the trade deficit. He said, "I am not so much concerned with achieving a balance of

'payments surplus' as I am with limiting the 'trade balance deficit.' This deficit is behind the debts and stagnation. Hence, I am hoping for an increase in the export capacity [text mistakenly says "import capacity"]. All of us, the government and exporters, are placing ourselves in the service of this national goal. Before us are markets with which we can do business, such as the Arab and European markets. We have done business with the expanding American market to remedy the large deficit with the United States."

The economy minister said that last year's trade deficit totaled more than \$7 billion or 2.4 Egyptian pounds. However, a series of resolutions, to be announced following this week's plenary meeting chaired by the prime minister, contain comprehensive solutions for all of the problems impeding the export process.

The chairman of the Federation of Industries, Muhammad Farid Khamis, believes that the problem centers on the endless procedures and fees, which increase export prices beyond what is competitive in foreign markets. Nonetheless, Muhammad Farid Khamis is optimistic about solving these problems after attending meetings chaired by President Mubarak, the prime minister, or other ministers, and attended by exporters and producers.

Muhammad Farid Khamis emphasizes that export has become a national goal, because of its effect on all domestic economic activities and its national role in balancing the trade balance and the balance of payments to move away from the indebtedness caused by the trade deficit.

Muhammad Farid Khamis states that the political leadership and the executive leadership are now taking up the cause of export and removing the constraints and complications that have limited export activity. They are also adopting a clearly defined and targeted export strategy for the present and future, which is based on the position of the national economy and the situation in international markets.

Muhammad Farid Khamis optimistic talk is based on his participation in plenary meetings or specialized committees in the ministries, which have prepared recommendations and submitted them to the political and executive leaders.

The chairman of the Federation of Banks, Mahmud 'Abd-al-'Aziz, emphasizes the banking system's role in stimulating exports and providing essential services to exporters, the most important being the implementation of export credits, which totaled more than 6,000, valued at more than 10 billion pounds during the past fiscal year.

The chairman of the Exhibitions and International Markets Authority, Hamid 'Atwah, calls for greater participation in international markets. State help, and greater help from the sector that produces for export, is needed to finance this participation and to set up exhibitions to introduce Egyptian products.

Dr. Madhat al-Juwayni, the head of the Trade Representation Agency, believes that it is necessary to support the agency and expand the trade representation in countries targeted by Egyptian exports and in countries whose markets we hope to enter to introduce them to Egyptian goods. Also commercial attaches should prepare reports and studies on opportunities for Egyptian exports in foreign markets. Such information is important to both the government and exporters and should be used by them.

Regarding exporters' complaints about export supervision agencies, Salah-al-Din 'Awad, the head of the General Supervisory Board for Exports and Imports, states that export supervision is to the exporters' advantage, because it ensures "quality." The authority also benefits agricultural exports through packing, sorting, and canning stations. In addition, it has scientific agencies, unparalleled in the Middle East, for monitoring incoming goods.

Salah 'Awad states: If there is a desire to eliminate supervision, nothing stands in the way. Just consider what happened in 1987, when we eliminated supervision of agricultural exports. These exports dropped from 94,000 tons to 64,000 tons, because a number of exporters did not maintain quality. Shipments were lost, and the national economy lost.

He adds: We have 20,000 exporters. Among them are honorable people. Also among them are people who are not up to par. They harm Egyptian products in foreign markets by exporting products that do not meet standards for quality.

Dr. Hazim al-Babilawi is the chairman of a bank which specializes in developing exports. He states his view on this vital issue as follows: Neglecting exports means greater reliance on imports, which increases our foreign debts. What is needed is an export strategy based on export industries, the elimination of bureaucratic and procedural barriers, the establishment of a database to determine trends in foreign markets, and the pursuit of a flexible domestic policy that takes into account continuous changes, with attention to reducing the cost of goods and maintaining quality, so that goods are competitive.

What are the problems facing the development of exports and their proposed solutions?

By tracking the reports and discussions of plenary committees or technical subcommittees, we can identify, define, and publicize these problems and their solutions. Such reports include those prepared by the Federation of Industries, the Federation of Chambers of Commerce, businessmen, the Trade Representation Agency, and the General Supervisory Board for Exports and Imports. All of these reports enable one to inventory these problems and to gather all of the proposed solutions as well as recommendations for now and the future.

The problems now affecting exporters concern the many burdens encumbering them. These burdens, which restrict our ability to increase Egyptian exports because

they limit the competitiveness of those exports in foreign markets, include the following:

- The lengthy documentation cycle required in the export process. Export procedures include more than 45 steps, which are implemented in more than one place. The integrated provision of services at one location is needed.
- An abundance of forms and papers to be processed, difficulty in obtaining some of these forms and papers at times, and the need to process more than 15 documents between the certificate, form, license, request, invoice, and receipt.
- A multiplicity of fees, stamps, and the equivalent of stamps collected under numerous names at airports, ports, and loading stations. These growing costs, which have become a real burden for exporters, ultimately affect the price of Egyptian goods. Eight types of fees are imposed under numerous names and headings. The state collects fees for services for which it, not the exporter, should pay, e.g., the fee for explosives detection.
- The multiplicity of control processes. Shipments are inspected by the export supervision agencies and permits are issued for them. Agricultural shipments are then inspected by the agricultural quarantine agencies, which require additional forms and fees in order to issue an agricultural certificate. The Export Supervisory Board then requires additional applications to obtain a certificate of origin.

The committee formed by the economy and foreign trade minister to examine export problems has called for: reducing the number of steps required; seeking unconventional solutions to export barriers; freeing exports from all constraints; supporting and coordinating between export agencies and organizations; expediting the formation of a national high committee for exports; eliminating the monopoly in shipping services and exposing companies in the public business sector and private sector to competition, given the large disparity between the prices fixed for services at Egyptian airports and ports compared to the prices paid in other countries by exporters for such services, despite the lack of improvement in Egypt in these services and their prices, which have been rising since 1987; expediting promulgation of the Currency Law, whose draft is devoid of any requirement for the TS [expansion not given] Form, considered one of the greatest obstacles in export procedures.

55 Recommendations

The technical committee formed to examine export problems has issued 55 recommendations, including 17 to the Economy Ministry, 19 to the Finance Ministry, seven to the Agriculture Ministry, six to the Transport and Communications Ministry, two to the Industry Ministry, two to the prime minister, one to the Petroleum Ministry, one to the New Urban Communities Ministry, and one to the Electricity Ministry.

The report by the ministerial technical committee recommended that the Economy Ministry take several measures to help boost Egyptian exports, the most important being to: compensate exporters for the strength of the US dollar; reduce export service fees in governmental departments; provide low-interest financing for export activity; remedy debt problems with the banking system; lower the cost of banking services; exempt imports of raw materials for factories from export and import control measures; disburse incentives for exports amounting to 5 to 20 percent of the value of the commodity exported, depending on its type; refrain from prohibiting the export of any good, lest it lose its position in world markets; permit the import of oil products for industrial use; establish an export support fund financed by a fee on imports; be satisfied with a single form, "Customs 13," to end all export procedures related to customs, agricultural quarantine, and export control.

The most important recommendations made to the Finance Ministry are to: exempt export activity from taxes for a defined period; stop deducting 1 percent of the proceeds of exports as a tax; eliminate the sales tax on machinery and spare parts, all requirements for stamps on export documents, and the proportional stamp tax on the capital of share companies; reduce customs on production inputs not produced in Egypt; implement a simple tax rebate system that returns to the exporter, after exportation is effected, customs and sales tax on imported components and services, fees, and different taxes; eliminate administrative fees and expenses imposed on industry under various headings; not permit the imposition of any burdens without the cabinet's consent; and include the members of the chambers of specialized industry in customs arbitration committees.

The recommendations made to the Agriculture Ministry are to: establish funds to balance agricultural produce prices to prevent producers from being hurt in the event of an abundant crop amid a slow world market; apply a strict agricultural cycle regarding several crops, the most important being potatoes; eliminate agricultural quarantine fees for exports; create a national project to combat pests and diseases; focus on the discovery of new breeds of high-yield, disease-resistant crop seeds.

The recommendations that must be implemented by the Transport and Communications Ministry are to: reduce the fees of shipping agencies, ports, and airports; reduce maritime and air freight charges; and systematically provide refrigerated containers for shipment of perishables to Arab, African, and European markets. The Federation of Industries recommended that the Petroleum Ministry lower fuel and energy prices with respect to exported goods.

The recommendations called on the Industry Ministry to review the standard specifications of exports issued by the General Standards Authority, and to limit compliance with standards to security and safety goods and injurious goods.

The prime minister was called upon to ensure that no governmental agency would require fees of any type for export procedures, except for those defined previously in the unified fee; free all types of Egyptian commodities from any constraints stemming from requirements to obtain prior approvals from any agency regarding the type, quantity, or price of an export, as long as export of the good is permitted.

In view of the ongoing increases in energy prices, the Federation of Industries recommended that energy prices applicable to industrial activity be fixed for at least three years, and that a good pricing policy be formulated for energy consumption by factories.

Finance Minister on Ending Export Barriers

94LD0024B Cairo AL-MUSAWWAR in Arabic
18 Mar 94 p 72

[Article by Majid 'Atiyah]

[Text] The Finance Ministry received the largest number of recommendations to remedy problems stemming from fees, customs, and stamps. Following a meeting last Wednesday evening, Finance Minister Muhammad al-Razzaz told me that he is in the service of the "exporters," because export has become a national strategy and a priority in the development plan.

The finance minister said that finance policy has been greatly concerned with promoting exports, making efforts to remove all barriers facing exporters, and eliminating or reducing burdens on exports. The Finance Ministry is remedying any problem impeding exports. The pertinent agencies, such as Customs and Sales Tax, now go to production sites at exporters' requests to effect customs procedures regarding exports. Also, warehouse construction is being expanded in new urban areas to simplify and facilitate measures, especially those concerning exports.

Recently, two resolutions were issued to overcome obstacles and relieve exporters. The first resolution was made following complaints regarding delays in exporters' receipt of rebates of customs and sales tax paid on exported goods which have been exported. Under this resolution, exporters will recover the customs and sales tax they pay on Egyptian exports through an immediate rebate system. This system dispenses with long waits and the requirement to submit documents. A committee has been formed in the Customs Agency to determine the customs and general sales tax that must be returned under this system. The committee is comprised of representatives of the Customs Agency, Sales Tax Agency, and the Industrial Supervisory Agency, and a member of the Federation of Industries appointed by the chairman of the board of the Federation of Egyptian Industries.

This committee will have a technical secretariat. The secretariat will receive requests and data from brand-name manufacturers who import production materials, produce products on production lines, and export these

national products under the drawback system. The technical secretariat will study these requests and present them to a committee formed to determine the value of the customs and sales tax to be returned to each national producer who exports under this system. The taxes are then returned based on the export customs previously authorized by the committee. Exporters will thus not have to submit documents for each shipment separately.

The second resolution concerns reducing the burden of guaranties that must be provided for goods cleared to enter Egypt or be transported from one place to another under special regulations—which are the "temporary permission," "transit," "warehouses," and "temporary clearance (except for passenger vehicles)" regulations. The following guaranties can be provided in lieu of payment of customs and general sales tax:

- Monetary security or bank guarantee.
- Pledges of governmental ministries and agencies, and public authorities.
- A guaranty document, equal in value to the taxes due, issued to the credit of, and callable by, the Customs Agency and the Sales Tax Agency.

Under the "temporary permission regulation," payment of taxes due can also be guaranteed by a declaration guaranteed by not more than 80 percent of the net worth of a firm's assets and subsidiaries according to its most recent authorized balance.

All of these measures are designed to reduce the burdens on exporters and thus enable them to stand up to foreign competition policies.

These facilities are not limited to exporters. The customs committees can implement procedures at production and loading sites based on the exporter's request. The commodity will be exported directly from the relevant customs house—without the repetition of customs measures with respect to it. This will be done in conjunction with the establishment of a centralized, specialized administration for temporary permission and drawback, and the shortening of procedures to recover fees, taking into account that exported commodities are not subject to the sales tax.

Report Gives Detailed Unemployment Figures

94LD0034A Cairo AL-AHRAM AL-DUWALI in Arabic
18 Mar 94 p 3

[Article by Ibrahim Nafi: "Unemployment Facts in Egypt; Accurate Figures, What is the Remedy?"]

[Excerpt] [Passage omitted] What are the facts of the situation in Egypt? During the past three years, I have tried to obtain accurate figures on the size of unemployment in Egypt, as well as the type of unemployment. I have obtained judgements and estimates that do not inspire confidence, nor do they add anything to the already dissimilar numbers and varying estimates.

Finally, I was asked to wait until registration was completed, which is the first count of the unemployed in cooperation between national and international experts. Finally, last week, I received a report on the results of the compilation, done by the cabinet's data center in all governorates, in cooperation with the Ministries of Local Administration and Manpower and Employment. It is a report that contains most the important and precise details, since the program used to prepare it confirms results reached through scientific impartiality and tells the truth about the facts of the issue.

1. Fact No. 1: This report gives us a sound basis for objective dialogue and puts the true scope of the problem squarely before us. It also presents extremely important data for each Egyptian individual and family. It must attract the attention of intellectuals, experts, businessmen, and the ministry responsible for workers and labor, which is the Ministry of Manpower and Employment. I ask the reader's permission to present this data, as it came in this report:

- Number of those entering the labor market between 1982 and 1993, and who are seeking work...4,841,000
- Number of those trained for their jobs...3,415,887
- Total number of unemployed university and school graduates, who graduated between 1984 and 1993...1,425,113
- Percentage of those within the labor force...9.2
- Majority having mid-level qualifications...1,098,909
- Majority located in rural areas...1,007,356
- 31 percent of unemployed are married, and majority of them are female, or are males who have temporary jobs...435,066

2. Fact No. 2: The real size of the problem, and what must be dealt with, is the 990,047 persons who are looking for jobs. The other part includes females who are married and want to work, i.e., they have a family and, consequently, their need for work is less than the need of others. Despite being close to 1 million, the number is completely at variance with the philosophical judgments and claims to knowledge of those who, for a long time, persisted in estimating that unemployment in Egypt had reached several millions. I do not want to belittle the size of the problem, but I also would like to put it in its true perspective. I am pleased that I am the first to participate, through the al-AHRAM organization, in the call to formulate programs to ensure the reduction of this number to a few thousand, and to participate in implementing these programs. I believe that together—government, business organizations, banks, trade unions, and intellectuals—we can formulate these programs, arrange the funding required for them, and implement them efficiently. Yes, all of us, if our intentions are sincere, can put this issue on the agenda of all our leadership councils. All of us must take part in resolving this problem.

All of us are responsible; the government is responsible for operating the largest possible number of training centers, and for giving direct incentives to those who

absorb the unemployed. Economic and service projects are responsible for expanding their activities, opening new markets for their products, and increasing use of capabilities available to them. Young people are also responsible. They must accept jobs that may not be compatible with their academic qualifications. They must be persuaded that appropriate qualification is that qualification that is needed and demanded by the market, and not necessarily the qualification that they chose during their education.

3. Fact No. 3: For well-known reasons, the largest part of unemployment is in rural areas. The most important reasons are: the graduates' aversion to working in the fields after they are educated; decisive expansion in machine use, in order to increase production; and, limited growth in agricultural production and certain integrated, peripheral activities.

The clear consequence of all this is the decisive need to think about the future of Egypt's rural development, since it is impossible to continue economic activities in a large number of governorates that are restricted to agriculture. That will lead to keeping the unemployed without work and will add to their number new thousands of those who have had opportunities for education and whose residence is in rural areas.

Yes, it is impossible to continue the course of development as it is now in rural areas. There are certain successful experiences in the world at this time with regard to diversifying economic activities in the countryside, using agricultural activity as a springboard for other activities. Experiences in Indonesia, Malaysia, Taiwan, and China deserve close study. Therefore, I call on the government to form a team of national experts who have had previous experience in the business sector, and task them with going to these countries, studying their experiences in comprehensive rural development, obtaining all necessary details, and absorbing possible lessons from these experiences. They should then formulate programs that could be implemented in Egypt, defining the mechanisms of implementation, resources required, and appropriate sources for these resources.

4. Fact No. 4: Those with middle-level qualifications represent the largest part of those seeking work (77 percent of the total unemployed).

This clearly means that the market does not need their skills. It is also clear that the holder of an industrial diploma has not been trained to be a craftsman. The holder of a commercial diploma has not been qualified to be a skilled specialist in financial and accounting matters. The holder of the skills acquired with an agricultural diploma is limited to working agricultural jobs. If it is necessary to keep this kind of education, it will be necessary to change the content and method of preparation. The change should be radical. We all know that this is not an easy matter. It requires time and resources. However, we also know that keeping the situation as it is at present is no longer acceptable. Every lesson learned

from the preceding experience of other countries tells us that they abandoned the kind of education that is applied in Egypt, and replaced it with vocational training. This vocational education gives only one day of class work to every five days of practical experience, that is training in the work place. Egyptian education and instructional experts should repeatedly visit those countries, in order to create a plan to introduce the desired developments into our curricula in these schools and vocational training programs.

I would also like to see intensified activity to breathe life into the nearly 450 training centers scattered throughout Egypt, although the data available to me confirms that the biggest part of them need radical development of their capabilities and administration. Training technical cadres is one of the principal pivotal points on the road to reducing unemployment. We must give it special importance and maximum priority in our concerns. The current picture needs changing. The time has come to attract special attention from the ministers of industry and the labor force.

The problem is urgent and its remedy requires both time and money. Our sincere efforts on a sound basis will achieve tangible results toward controlling the problem and limiting it. Everyone must cooperate to attain this major goal.

I repeat once more: everyone, not just the government alone, but also professional and labor organizations, investors, young people searching for work who must develop their abilities, and people of vision and ideas concerned with political and party action.

Everyone is a partner in this responsibility; the issue is everyone's issue, and not the issue of the government alone or of any specific quarter.

ISRAEL

Arab Majority Said To Support War With Israel

94AA0062C Tel Aviv HA'ARETZ in Hebrew
12 Apr 94 p 5

[Article by 'Aqiba Eldar]

[Text] Three out of four Arabs support immediate military confrontation with Israel while the fourth prefers to maintain the current situation of neither peace nor war while awaiting a time when the Arabs will be able to realize their goals. This is the conclusion drawn from a study recently published in MIDDLE EAST QUARTERLY. The scholar who conducted the study, which included 1,000 Lebanese, Syrian, and Palestinian Muslims outside Israel, warns that Arab leaders foresee the danger of delegitimization by their people, who lag behind them in their policies toward Israel.

Professor Hilal Qashan of the American University in Beirut found that, on the eve of the signing of the agreement between Israel and the PLO at the White

House, none of those surveyed could find a single positive aspect to peace with Israel. The most common opinion was that peace is a temporary tactic designed to enable the Arabs to reorganize themselves in order to strike at Israel at some later time. Of those questioned who supported peace, 90 percent said that they would withdraw their support for it if Israel were to weaken in the future. The scholar concludes that his findings teach that even they do not support a lasting peace.

Writing in the WALL STREET JOURNAL, Qashan states that the Arab public's desire to launch an immediate war against Israel indicates an anomaly in the findings, for if the Arabs failed to wipe out Israel when superpower polarization was at its peak, it is irrational to believe that they can succeed at a time when just one superpower exists. He concludes from his survey findings that the Arabs—including those who support peace—are not psychologically ready for this change. The respondents expressed fear that peace would enable Israel to become the leading economic power of the Middle East and to gain a larger share of the region's water sources. Many of the respondents blame Israel for instigating the civil war in Lebanon, inciting the clash with the Qurds in northern Iraq and aggravating the rebellion in southern Sudan. They believe in the existence of a grand Zionist conspiracy to create "ministates" to take the place of Lebanon, Syria, Iraq, and Egypt.

The respondents—two-thirds of them engaged in the liberal professions—reveal a very faulty conception of the meaning of peace and its benefits. A majority sees it as surrender and prefers to continue the confrontation with Israel. According to the study, Arab political culture still harbors strong anti-Israel sentiments.

Qashan blames Arab leaders for educating their people to distrust Jews, hate Zionists, and dream of destroying Israel. When they decided to open negotiations with Israel, Qashan notes, they did not properly prepare their public for what might ensue. The Arab public feels abandoned by its leaders and bypassed by modernization and political liberalism. Nonetheless, he believes that true peace can be achieved if Arab leaders undertake a new process of socialization in the Arab public. He calls on the United States to make a contribution by promoting mutual interaction, cooperation and understanding so that peace will stand on its own.

'Disavowal' of Israel Among Haredim Denounced

94AA0062A Tel Aviv HATZOFE in Hebrew
18 Apr 94 p 3

[Text] The Haredi journals HAMODI'A, YATED NE'EMAN, and SHAS' [Torah Observing Sephardim] YOM LEYOM, covered Israeli independence day in their weekend issues. Each of them, in its own way, took pains to emphasize its estrangement from the state while critically judging those "religious Zionists" who behave as if the state were the first step towards redemption. It is not merely that the state cannot be viewed as the start

of redemption, they stressed, but that the opposite is true. As HAMODI'A put it, "This is the worst diaspora."

HAMODI'A filled an entire page with three articles ticking off the evils of the Zionist state. In this they seemed to glory in vindictive satisfaction. This state, one of the articles proclaimed, is incapable of assuring the peace and safety of its citizens. It depends on the views of others. What is more, it even eradicates "Jewish roots." The joy of independence is not their joy. And as in the past, this year, too, they have expressed their opinion that the Jewish state, which arose miraculously after 2,000 years of exile, is not be seen as the end of exile and the start of redemption.

Indeed, one of the authors makes an effort to emphasize that his commentary cannot be understood as "schadenfreude" unless it is taken, as it must be in these times, as the soul searching of a Jew. To prove that we are not safe in this land, he mentions the attacks in Afula, Hadera, and other places around the country that have claimed the lives of more than a prayer quorum of innocent Jews.

We read in YATED NE'EMAN, among other things, that: "The grand vision promoted by the Zionists and the various religious nationalists of Israel as the safe haven where Jewish blood will no longer be spilled, as they have put it, has been utterly shattered, almost obliterated. Most unfortunately, today, more so than other time since the founding of the state, they themselves see the great lie that they have made of the reality and existence of the state. This fact gives us great joy, for exposure of the lie is essential to recognizing the truth. This day, independence day, is appropriate to [text illegible] in our hearts, for if the day shall come when a new idolatry arises in a different guise, they will not pursue it and be seduced into becoming complete fools."

In an editorial on independence day, YATED NE'EMAN also called on its readers not to rely on the security of the state or its independence since it is neither secure nor independent and its behavior, of course, is alien to the spirit of Judaism.

SHAS' organ, YOM LEYOM, treated the state in the same vein. We read in one of its editorials that: "Despite the hopes placed in it by its founders, it has not succeeded in solving the problems of the Jewish people. It sought to create a land in which Jews would be able to live their lives independent of outsiders. But that has not happened. On the contrary, Jewish lives in the state of Israel are more at risk than are the lives of Jews in other countries.... Accordingly, we must recognize that the diaspora still continues in all its aching force notwithstanding the founding of the state. Until the advent of redemption, there is nothing for us to do but try to protect Jewish lives, even at the painful price of yielding the territories."

On the same page of YATED NE'EMAN, there appeared an article under the headline, "Some Celebration, Some Independence." The author ridicules not only the celebration of independence but the state itself. Referring to the prayer for the peace of the state, he glibly asserts that

"Whoever blesses the national government, its ministers and advisers each Sabbath, in fact, is blessing Shulamit Aloni, Amnon Rubenstein, Shim'on Peres, Yosi Beilin and their colleagues and advisers.... Even these last-named Zionists are now confounded by this land. So who is it, exactly, who is celebrating independence here?" The author also has something to say about standing at attention for the siren blast in memory of the soldiers who fell in the line of duty. In his view, "The state established the siren as a form of identification, but it is a ritual void of any substance or meaning...." As to the Jewish character of Israel and the state's relationship to Torah life, he writes that one can learn from the media, the Knesset, the courts, the street and every stone and wall. He notes desecrations of the Sabbath, violations of kashrut, a decline in Jewish Torah education and so on.

In short, there is no room for Jews who observe Torah and the commandments to identify with the state.

These are harsh words but the author, with all due respect, apparently forgot to add that his movement, SHAS, is an active partner in this anti-Jewish, antireligious government, and has prevented it from falling and being replaced by another government that would be more Jewish, more religious, etc.

We read these articles in three newspapers, two of them dressed in very Haredi garb and the third in the clothing of a community becoming just as orthodox. To tell the truth, we were not surprised by what we read. This is not the first time that Agudat Yisra'el in its two incarnations and SHAS have not identified with the state of Israel. They treat it as they do any diaspora. They never have a kind word to say in praise of the state that arose by the grace of God after 2,000 years of exile. They also deliberately ignore that the founding of the state triggered a great turnabout to the benefit of Jewish life in Israel and the communities of the diaspora. It has become a defender for untold thousands of Jews in foreign countries and has even rescued many from the attacks of anti-Semites seeking to raise their hands against Jewish lives. Not only that, but also despite the state's continuing war against terrorists and the enemies around us, there is no better and safer place for Jews today than in this country.

For all the criticism of what has happened in Israel, no one can overlook the flourishing Torah education to which we have been witness, the dissemination of Torah sources to thousands of Israelis and everything else that instills pride in a religious person in Israel.

Only the blind cannot see all this and, instead of blessing the creation of the state of Israel as the beginning of our redemption, raise their hands against the state of the Jews and treat it as they would the exile of the Jews.

Even if we continue to pray for the redemption of all Israel, God forbid that we should be grateful and offer up a blessing for the beginning of our redemption or make a prayer of thanksgiving that, by the grace of heaven, we

have been delivered from the bonds of exile and, as free men, built a new home in the land bequeathed to our forefathers.

We have no illusions that the haredim, including SHAS, will change their minds and admit that what they have said is wrong. Even so, it is worth reminding them that, by the lives they have chosen to live, they have forgotten the words of the great sages on the subject of lepers, warning against speaking evil of any son of Israel. These reproaches are seven times truer when it is a matter of repudiating and slandering not just the state of Israel but those who believe in it and each day offer up anew a blessing on the start of the redemption of the people of Israel in the land of Israel.

Qualifications for Rabbinic Title Assessed

94AA0062B Tel Aviv HA'ARETZ in Hebrew
8 Apr 94 pp 44, 46

[Article by Rut Yuval]

[Text] For Rabbi Menahem Hacohen, the band of armed brigands who holed up in Beit Yihud at the direction of Rabbi 'Uzi Meshulam stirred up a pain that had subsided in recent years. Meshulam, says Hacohen, who once served in the Knesset, is the best proof of the need for a law prescribing who may call himself rabbi. "If 'Uzi Meshulam were just 'Uzi Meshulam, the shame and the anger would be enough, but since he carries the title rabbi, that adds a dimension to the whole thing."

Hacohen tried twice in the past to push through a bill to regulate this unholy domain. Twice the religious ministers and jurists blocked his bill. He has been caused anguish and rage countless times when "all sorts of men who are as far from the rabbinate as north is from south" have been presented or have presented themselves as rabbis.

The founding of the state is usually marked as the starting point for inflation in use of the title rabbi. Some ascribe this to the rise in the number of seminaries. For lack of any other proper title, seminary teachers are called "rabbis," and from the moment they could obtain the title even without ordination examinations or a practice period (a sort of working apprenticeship for congregational rabbis that was customary in the larger communities), the fence was breached. Rabbi Hacohen sees two catalysts for the process: the ignorance of secular Jews and the pursuit of trappings of respect by the religious. Most people in the secular media do not know how to tell a rabbi from a mezuzah salesman, but the beard, the black frock, and the hat arouse in them a murmur of respect for the spirit of grandfather's Israel (and sometimes even for a faint memory of their father's house where, in the Yiddish style, the word "reb" preceded every man's name). In that way, the title rabbi began to be given in Israel, too, as a mark of courtesy to anyone who served in public office and looked like a rabbi, with or without any connection to rabbinic ordination.

In their wake came the religious media, particularly the haredi, which found in it a means of honoring its worthies and denigrating its foes. Agudat Yisra'el's journal HAMODI'A has never used the title rabbi before the name of Shlomo Goren, whom they detest, even though Goren is a completely legitimate rabbi; exceptionally polite writers call him Mr. Shlomo Goren. In Degel Hatorah's YATED NE'EMAN, he is called "rabbi" only in quotations when, as often happens, his name is accompanied by the words "buffoon" and "ignoramus." By contrast, every fourth rank party activist, and even anyone who has gotten a few inches of column space in advertisements, receives the honorific "rabbi" without the slightest difficulty in both newspapers.

Menahem Hacohen was elected to the Knesset in 1973. "I recall at least six rabbis there, of whom only two were real rabbis: Rabbi Kalman Kahane and 'Avdakh. All the rest, 'Rabbi' Grus, 'Rabbi' Scheinman, 'Rabbi' Porush and 'Rabbi' Abramowitz, were what I called 'rebraff.' After that, there was 'Rabbi' Lorenz and 'Rabbi' Verdiger and still others, and each had a frock. The title rabbi stuck and they like it. Even today, the Knesset has some men who call themselves 'rabbi' but who have never gotten a whiff of what it means to study Torah."

Early in his career, Hacohen thought he could change things. "Like any young Jew entering the Knesset, I thought the world could be fixed. I said to myself, 'This is a rotten business, anyone can call himself rabbi if he wants. It is charlatanism, just plain fraud. Just as a physician cannot call himself a doctor if he is not a doctor, a rabbi who is not ordained as a rabbi cannot call himself rabbi. The situation has gotten to the point where it is beginning to be a title of contempt.' I thought that just as we need to regulate any title, we have to protect the title rabbi, and for that you need a law.

"I never imagined that someone could be against such a law. But every proposed bill goes through a coalition screening, and the coalition leadership was against it. Zerah Verhaftig, who was then Minister of Religious Affairs, and Justice Minister Ya'akov Shimshon Shapira told me they were against it. The second time I presented the bill, the Minister of Religious Affairs was Yitzhaq Rafe'el, who held it and held it and held it. Eventually, the Justice Minister, Hayim Tzadok, told me that he was against passing it."

[Yuval] Why was it that this bill aroused opposition?

[Hacohen] First of all, it could have caused problems for the government with various factions because it raised the question of how to deal with the Reform and Conservative movements. I said, 'You cannot discriminate on this. If it is a movement that ordains rabbis, even if it is Reform, then you cannot take away his title.' But the Ministry of Religious Affairs was afraid of the problems that the entire process would create. The second reason for opposition was the idea, why should they complicate things with all sorts of Jews, both abroad and in the Knesset itself, who were happy with the

situation? After all, there were men of all kinds calling themselves rabbi in the government and in the coalition.

"I really do not know just how much of a rabbi Menahem Hacohen is," snickers Knesset member [MK] Avraham Ravitz of Degel Hatorah, and his snicker reveals something of the basically problematic nature of the issue. "I am not speaking of him personally, I do not know his past, but a man has to be tested in certain subjects to be ordained a rabbi. Now, it happens that there are rabbis in the community who are students of brilliant sages but who have not gone to the trouble of taking tests in these subjects because—it can even be matter of principle, they are modest and humble—they did not want to have the title and do not need it to get a rabbinic position. But they can still be far greater masters than Menahem Hacohen, for instance. Again, I am speaking of Menahem Hacohen as an example, not personally.

"Look, we have levels upon levels determined according to a man's knowledge and his moral character. We call both Rabbi Elishav and Menahem Hacohen rabbi, but they are not on the same level. It is like an elephant compared to a fly. I could tell you that Rabbi Schach did not receive a rabbinic ordination; does that mean he is not a Torah genius and we cannot call him rabbi? And let us say that Uzi Meshulam brings me 20 rabbinic degrees; I will tell him to cover himself with them on a night when it is 20 degrees. That is all. None of us here will call him rabbi."

The problems that secular Jews have in dealing with the question of "who is a rabbi" are hardly less troubling for them than they are for the haredim. True, Rabbi Ravitz contends that for both him and the entire haredi community, "We know exactly who is a rabbi and who is not, and believe me, it is so clear and easy that I would almost say it is an exact science." Even he, however, finds himself getting tripped up when he tries to define who is a rabbi by ordination and who is a rabbi by earned respect.

Ravitz: "I will give you myself as an example. I studied for dozens of years in two seminaries but I never bothered to join the rabbinate even though that would have been as easy for me as breakfast. One day I was offered a rabbinic position and I debated whether or not to take it. In the end, I did not take it, but in the meantime, I went and got a rabbinic ordination, which took me exactly two weeks. Does that mean I was not a rabbi two weeks earlier and two weeks later I was? None of my colleagues has any idea that I got a rabbinic ordination. I do not hang the certificate in my office because it is not our custom to do that. We do not have any interest in that."

[Yuval] So how do you know how to tell who is a rabbi?

[Ravitz] There are two ways: by knowledge of Torah and by the man's moral character and judgment.

[Yuval] Are Ori Zohar and Mordekhay Arnon rabbis by your definition?

[Ravitz] It is hard for me to give you an exact answer. I think that Ori, who has immersed himself in Torah for

many years, definitely can be called Rabbi Ori Zohar even though he has not passed his ordination examinations. Perhaps Mordekhay Arnon, too, even though he deals more with day to day affairs. You see, I am starting to get tangled, but this does not interest us very much and does not bother us.

[Yuval] Do you call Moshe Hayrash Mantori a rabbi?

[Ravitz] Despite all the sharp disagreements I have with him, I think it is possible to call him rabbi, because it seems to me that he is a man who has studied for many years.

[Yuval] Arye Der'i?

[Ravitz] I do not know, it may be that he has an ordination. He is no ignoramus, Arye, he studied for many years.

[Yuval] When you meet him, do you call him Rabbi Arye Der'i?

[Ravitz] When we happen to meet, in the Knesset, for example, I call him Arye, but when I appear before SHAS [Torah Observing Sephardim] members and I know that they call him Rabbi Der'i, I call him that too.

[Yuval] Is Avraham Shapira a rabbi?

[Ravitz] I really do not know.

[Yuval] It seems that even for all of you, there is some confusion over the rabbinic qualifications of some rabbis.

[Ravitz] Do you know what we do to get out of this? We call Shapira Reb Avrom. "Reb" is a kind of compromise. Reb Shmilqa, for instance, is what I call Shmu'el Halpert.

[Yuval] Even Halpert is not a rabbi?

[Ravitz] No, no.

"I am a rabbi, of course," MK Halpert says of himself. He, too, vigorously supports Menahem Hacohen's old bill. "In my opinion, only someone who has been ordained as a rabbi by the chief rabbinate is entitled to be called rabbi."

[Yuval] Menahem Hacohen thinks that only someone who will actually work as a rabbi can carry the title.

[Halpert] Not just practicing rabbis. It is enough that they have a rabbi's diploma. If someone passes his bar exams but does not practice law, can he not be called a lawyer?

[Yuval] Did you serve as a rabbi?

[Halpert] For a very short time, very briefly.

[Yuval] Do you know which Knesset members are ordained rabbis?

[Halpert] More or less.

[Yuval] Is Rafa'el Pinhasi a rabbi?

[Halpert] I do not know.

[Yuval] Is Menahem Porush a rabbi?

[Halpert] He has an ordination. Yes, absolutely.

According to Rabbi Halpert's information, MK Rafa'el Pinhasi is not a rabbi, and neither is Menahem Porush, at least not in the sense of having authority to decide questions of religious law or, as he puts it, "I do not have the highest level of certification, although what I know from my studies in the seminary is far greater than that of other people who did not study. And I will tell you something else. Some of the great seminary heads, people who were giants of Torah, were not qualified at the highest level. I do not want to mention names, but when one of the giants of the generation wanted to pronounce judgment at home on some matter, he would go to the city rabbi, who was far below him in Torah learning.

[Yuval] Do you feel it is important whether someone bears the title of a qualified rabbi?

[Halpert] No, by no means.

'Eli'ezer Mizrahi also does not put much stock in ordination. "There are some people who have not received ordination but know more even than rabbis. There are some people whom I call rabbi because I know them, just as if they had rabbinic ordination. You can learn a lot from them.

[Yuval] Are you qualified at the highest level?

[Mizrahi] I am on the way, as they say. If I had really wanted to be a rabbi, I might have made the effort to enter an institution where you have the time. But at this point, I think I will continue my political life.

There are three points of convergence, *de facto* or *de jure*, among all the rabbis interviewed. First, all of them answered as a matter of course to the title "rabbi" attached to their names and none of them corrected the speaker. The reason, apparently, was the one given by MK Pinhasi: "In practice, we use the title rabbi as a mark of honor and respect. The way secular Jews say 'the esteemed' or 'sir,' *haredi* Jews follow the custom of saying 'rabbi.' That does not necessarily mean that he has received rabbinic ordination." Second, most of them commented that, at least at the start of their public careers, they did not feel at ease being called rabbi, and that includes ordained rabbis like Avraham Ravitz. "When I entered the Knesset, I thought, why should I suddenly start this practice? Look, Efra'im Sneh, to give an example, does not say that he is Dr. Sneh, but Dr. Yoram Los does do that. Some people need to show off their title but I did not feel that I had to do that."

More understandable is the uneasiness felt by honorary rabbis such as Rafa'el Pinhasi. "For me, it was very upsetting when I entered the Knesset and they began calling me rabbi. I even went and asked rabbis what to do about being given a title that I did not deserve. The

rabbis told me, 'It is not your honor, it is the public's; whoever leads it gets the title rabbi to distinguish him from an ordinary man.'"

One other common point: None of those interviewed knew whether MK Avraham Porush was an ordained rabbi. In fact, "MK Shapira passed his exams and received rabbinic ordination," reports Arye Frankel, Shapira's media adviser. "Shapira did not want to be called rabbi," he emphasized, "perhaps because he also felt the subject is one of utter chaos, so that anyone who wants a title can come and take it. Or it might be because he comes from the business world, where a title is not important. I doubt that he sits and fasts because people call him rabbi, but he does not feel it is right."

This situation, in which everyone has taken a short cut to make himself rabbi and there is no longer any need to work for the honor, has annoyed and frustrated many people, none more so than those in the national religious camp. In the absence of the proper outfit, no one thought to call them rabbi. In fact, the only ones in this camp to be honored with the title rabbi by the media were thrust into their roles by virtue of their status as rabbis, such as Rabbi Hayim Druckman.

The NRP [National Religious Party] was ready to forgo its honor when some interviewer on the "Mabat" news program did not use the title rabbi with MK Zevulun Hamer even though his rabbinic training did not fall below that of MK Menahem Porush, who was presented right after him as Rabbi Porush. But that almost no secular reporter refers to MK Yitzhaq Levy by the title that is rightfully his as a rabbi who runs an important seminary, that was too much. It is no accident that most of the wisecracks and bickering over the growing number of "rabbis" come from the national religious camp. "He gave you a multitude like weeds," they say about the phenomenon. [sentence as published]

Curiously, the definition of who is a rabbi at some point has also concerned the secularists, who saw the title rabbi as a sort of seal of moral standards. HA'OLAM HAZE, fearlessly and impartially, used to lock horns with Rabbi Me'ir Kahane over his bona fides as a rabbi and even took pains to place the title in quotation marks when it wrote about him. At the same time, MK El'azar Granot of MAPAM [United Workers' Party] would point to Kahane on the Knesset rostrum and taunt him, "You are no rabbi."

The racist Kahane, however, was an ordained rabbi from an accredited institution, just as one time prisoner Hayim Pardes, who was convicted of indecent acts, is an ordained rabbi held in high regard by his congregation. The years have made clear that a rabbinic degree is no guarantee against sin. "Rabbis are swindlers and rabbis are rapists and rabbis are thieves," Rabbi Hachohen ironically describes the decline in the value of the title. "Now there is no respect even for rabbis who are not caught in such misconduct."

No one today is seriously considering a law that would ban the indiscriminate use of the title rabbi. The secular

media and public no longer get excited over whether one public figure or another is truly a rabbi, and the religious media and public unerringly know who is a rabbi and who is not; if necessary, the religious press helps its readers understand how people are to be called. When everyone became a rabbi (aside from Rabbi Goren), the religious press was compelled to be creative and only genuine rabbis earned the expanded title "genius rabbi." But inflation is a difficult process to stamp out, and within a short time, every neighborhood rabbi became a genius rabbi. So the [religious] press, seeking to maintain a hierarchy of respect, introduced a new title: the rabbi genius. Then further steps were added to the ladder, the "master genius," "our teacher" and the greatest of all, "our teacher the genius," but they all come back to the same place. Secular Jews will always think that a bearded man wearing a black hat is a great rabbi of the Torah, and the religious will forever distinguish between an important rabbi, a more important rabbi, a plain old rabbi on the newspaper page and Shlomo Goren.

MOROCCO

Paper Criticizes Algeria for Supplying Polisario

LD0505141994 Rabat MAP in English 1338 GMT
5 May 94

[All quotation marks as published]

[Excerpt] [Word indistinct] May 5 (MAP)—Algeria's recent decision to resume assistance to the 'Polisario' [Popular Front for the Liberation of Saquia El Hamra and Rio de Oro] gang claiming the independence of the Sahara deals a serious blow to Maghreban unity and sows the grains of [words indistinct] instability in the region, wrote Moroccan daily BAYANE AL YAWM. For the daily of the Party for Progress and Socialism (PPS/ leftist opposition) such a decision is a blatant evidence that Algeria is undermining the settlement process of the Sahara issue and the UN efforts as well.

Referring to JEUNE AFRIQUE weekly which reported in its latest issue that Algeria had recently [resumed] supplying weapons and spare parts to the 'Polisario', the daily noted that that news was circulated immediately after the statements of the Algerian ambassador to Madrid and the threat to resort again to armed struggle against Morocco voiced lately by [Polisario leader] Mohamed Abdelaziz. [passage omitted containing indistinct portions]

Sagou on Economy, EU Relations, Privatization

LD2004183894 Rabat MAP in English 1405 GMT
20 Apr 94

[Text] London, Apr. 20 (MAP)—In an exclusive interview with the London-based monthly EUROMONEY, Moroccan Finance Minister Mohamed Sagou outlined the four principal themes that dominates his thinking. In the interview to be published in the May's magazine

supplement, the minister talked about the Moroccan Government's policy to restructure and modernize economy, fiscal and monetary policies, relations with the European Union [EU], the privatisation program and moves to create more job opportunities. To a question on the state's priorities to restructure and modernize its economy, the finance minister listed four priorities: The state's new role [words indistinct] the economy, speeding up the liberalization of the financial sector to become more competitive and attractive to the European Union's partners and social problems, particularly unemployment, in addition to the acceleration of new policy of taking many state-financed activities off-budget.

The minister also explained that a new strategy has been devised to deal with social problems and that the government is ready to make some concessions as long as they don't threaten the basic stability Morocco has attained.

On relations with the European Union, Sagou pointed out that two-thirds of Morocco's foreign trade is conducted with the EU and 800,000 Moroccan migrant workers—80 percent of the total—are employed there. Similarly, 80 percent of all foreign investment in Morocco comes from EU countries.

In northern Morocco, especially around Tangier, he explained, Spanish companies have established assembly plants comparable to the U.S. enterprises operating just south of the Mexican border. He however conceded that the GATT agreement might threaten Morocco's relatively privileged position with the European Union by effectively enabling other countries to export to the EU under the same conditions.

To a question voicing fears that the quest to attract foreign investment may open the way to undue foreign ownership and influence, the Moroccan minister answered that right now only 4 percent of Morocco's gross capital formation is of foreign provenance. We have a comfortable absorptive margin for the next ten years, though in sectors like banking and insurance foreign interests can already acquire control of [word indistinct] enterprises, he added.

On the Kingdom's fiscal system and the informal sector, he said personal and corporate tax rates have been reduced for four or five years, and over the next four or five years, individuals and companies will be encouraged to declare their tax liability. But viewed pragmatically, the informal economy is creating jobs and wealth, he explained.

To a question on how the government will simultaneously finance increased social spending and reduce tax revenues, without plunging the state's finances back into serious deficit, he replied that "global budget deficit is only about 2.2 percent of gross domestic product against 13 percent in 1983.

In figures it amounts to around USD 600 million, a mere USD 25 million over last year. We are confident that lower taxes will actually increase fiscal revenues by encouraging

more people to pay up, and by increasing company profits in the long term. Receipts from privatisation sales will also bridge the gap, though that is not the motive behind our privatisation campaign. We are prepared to seek external financing but only for the private sector.

The government has declined offers from London and New York bankers to raise loans in excess of USD 100 million, and suggested they fund our private sector instead. Growth will bring in revenue long term, and in the short term we shall proceed cautiously step by step with necessary fiscal expansion. Meanwhile, we hope to get the private sector to take more of the budgetary strain in sectors like agriculture, energy, infrastructure and even education. In areas like public housing, which we shall continue to subsidize, falling interest rates will lessen the state's burden.

The minister outlined that the biggest problem is creating more jobs for Moroccan growing population and bringing down unemployment, a problem which solution he described as "the key to everything."

OMDH Encompasses Defense of Economic, Social Rights

*LD0305134994 Rabat MAP in English 1320 GMT
3 May 94*

[All quotation marks as published]

[Text] Rabat, May 3 (MAP)—The Moroccan human rights organization, 'OMDH' said it will extend its action to encompass also the defense of economic, social and cultural rights, mainly the right to work, unionist rights and the defense of the press freedom.

President of the organization Abdelaziz Bennani said Monday at a news conference economic, cultural and social rights are intrinsically linked to civil and political rights and the OMDH has received several complaints from citizens citing violations of these rights, mainly the right to work and unionist rights.

The OMDH president added he notified to the authorities reports of violations of these rights but received no answer. The organization has also compiled several reports on abuses harming economic, social and cultural rights which are mainly noted in the practice of the right to unionist activities as several complaints that reached the organization cited restrictions of this right. Bennani also deplored that the government's commitments vis-a-vis this right are not observed.

Concerning the right to work, the OMDH president said violations in this regard are reflected by collective laying down of workers, precarious jobs and the non-enforcement of the minimum guaranteed salary by employers. He said the government should shoulder its responsibilities in the respect of labor rights which are regulated by texts that date back to the protectorate era.

On the occasion of the celebration this May 3 of the world press freedom day, the OMDH made public a statement pointing out that recommendations of the national colloquy on information and communication which called for the setting forth of an information and communication strategy based on freedom of speech and the democratization of the media were not respected. The OMDH calls the legislative body to set in motion recommendations adopted by the colloquy, on the basis of a transparent and public debate of legislative texts. It also urged for the setting up of a multi-party and independent body stemming from the executive body which will see to the respect of the multi-party system and the audio-visual media freedom.

For the Moroccan human rights organization, 'respect of the press freedom, the right to information and the entire human rights closely depends on the continuous action of journalists, an action that is itself linked to the improvement of their work and living conditions, the efficiency of the human rights movement and the consolidation of the state of law foundations'.

TUNISIA

Foreign Affairs Ministry on RSA Elections

*LD0105175894 Tunis Tunisian Republic Radio
Network in Arabic 1300 GMT 1 May 94*

[Text] The counting of votes in South Africa's [RSA] first multiracial elections in the country's history. [as heard] Tunisia, being a country committed to the principles of democracy and political plurality, which it consolidated in practice, has interacted with this event in South Africa. On this occasion the Ministry of Foreign Affairs issued a statement, which said that Tunisia today praises the holding of the first multiracial elections in South Africa's history ever as an important event on the regional and world scales and as a victory for freedom and democracy after the policy of apartheid had been abolished.

Tunisia, which has always supported the process of justice, freedom, equality, and peace between South Africa's ethnic groups through the persistent support accorded to this process by President Zine El Abidine Ben Ali on all international and regional levels, is today greeting and praising all the democratic forces in this country and sending expressions of esteem to the African National Party's leader, Nelson Mandela, and to President Frederik de Klerk for the political wisdom and courage they have shown and that allowed the success of the democratic process within the framework of South Africa's unity and the interests of all Africa's peoples.

On this occasion Tunisia congratulates the people of South Africa on this historic gain embodied in all its full civil rights and wishes the South African people a promising future under dignity and consensus after the abolition of all aspects of apartheid.

Communications Agreement Signed With U.S.-Canadian Firm

LD3004204794 Tunis Tunis-7 Television in Arabic
1900 GMT 30 Apr 94

[Excerpts] The state has an ambitious project in the area of telecommunications. The project involves the setting up of 100 million telephone lines in four years.

The Ministry of Communications signed the first deal in this context with a German company. Today, the minister of communications signed another agreement with the U.S.-Canadian Northern Telecom. Details in this report by Imad Koutata:

[Koutata] On the basis of this agreement, Tunisia will be provided with 360,000 electronic telephone lines that will be distributed in many parts of the country. A network of mobile telephones, known as JSM, will also be set up. This network will include 5,000 lines that will cover the greater Tunis province. The network will be a great help to businessmen and investors in view of the great incentives and encouragements provided for them in the investments code.

The agreement also includes a proposal for a partnership between Northern Telecom and Tunisia. The partnership will concern both industrial and commercial fields. The partnership proposal involves the setting up of a center for developing programs used in the telecommunications industry, the revitalization of the manufacture of subscribers' equipment used at telephone exchanges and, finally, the assembly and manufacture of telephone exchanges. The agreement opens wide prospects for an industrial and commercial partnership between the two sides. [passage omitted]

Justice Secretary Meets Interior Minister

LD2404210594 Tripoli Libyan Television Network
in Arabic 1930 GMT 24 Apr 94

[Text] The brother secretary of the General People's Committee for Justice and Public Security met brother Abdallah Kallel, the minister of state in the Tunisian Foreign Ministry. During this meeting, which was attended by the general delegate of the Great Jamahiriyah in Tunis, they reviewed the brotherly relations between the sons of the one Arab people in the Great Jamahiriyah and brotherly Tunisia.

The meeting also dealt with a review of a number of issues of mutual interest.

French Exile Criticizes Presidential Election

BR0704151394 Paris LIBERATION in French
23 Mar 94 p 7

[Article by Mezri Haddad, researcher in moral and political philosophy and former editorialist in the Tunisian press: "The Election of the King of Tunisia"]

[Text] The architect of "change," of the "new era," has just been plebiscited by his grateful people, to the ecstatic delight of the unanimists, the yes-men, and other sycophants. The retiarri and myrmillos of ultrademocratism, who had been fighting their own shadows for weeks, have therefore just won a "historic victory," as some colleagues in the Tunisian press will not fail to boast. These "presidential elections," a euphemism to describe the self-confirmation of the existing head of state, however farcical they were, are nonetheless full of lessons. In the electoral sham of 20 March, he was the only candidate to his own succession, because the candidacy of Moncef Marzouki, a brave defender of human rights, was received by the "pro-Ben Ali" camp if not as a snub, at least as "the machinations of an isolated psychopath." This professor of medicine is certainly not the only pathological case in this country governed by a "philosopher king," because 100 Tunisian academics published a communique "supporting Moncef Marzouki's right to stand in the presidential election."

There is, therefore, no doubt that, in this country, there is no process of democratization, nor even the slightest intention of moving toward a semidemocratic system. Instead, there are many signs that Tunisia is sinking further and further into a system that gives no place to even the most basic human rights, or freedom of thought, or moderated opposition, still less to serious elections. A system that relies only on the strength of its police—18,000 policemen in 1986, 45,000 today—has a name: police state. Gregarious men call it a "happily strong state." "Happily" because such a state protects "civilian society" from Islamic fundamentalism. Look at what is happening in the neighboring country, the regime's feudalists add, as if Algeria were in its death throes because of excessive democracy.

In reality, many intellectuals already knew that, with or without the Islamic fundamentalist specter, Tunisia would inexorably move toward a Syrian-style democracy. The second regime, born in the confusion of colorful conspiracy and a suspect trophy, received as its genetic inheritance the vices and responses of the Bourguibian republic, which had been in a deep coma since 1980. There was no shortage of signs to contemplate while awaiting the face of the new Moloch state: seizures of newspapers, relentless repression of political oppositionists of all colors, infiltration and neutralization of the former powerful trade union federation (the UGTT [General Union of Tunisian Workers]), the systematic use of the legal apparatus to concoct political trials, the "privatization" of opposition parties.

But not everything is negative in the nonevent that Tunisia has just lived through. Any action or political decision contains within it what the sociologists call in their jargon aggregation effects (secondary and unexpected effects). In the new Tunisian situation, there are two.

1. The surprise candidacy of Moncef Marzouki breaks an old taboo rooted in Arab and Muslim mentalities,

namely that there can be no salvation outside the president or petty king you have. For years, or even centuries, no Arab head of state has been seen to accede to the supreme office by a popular vote. In our countries, you do not gain power, you seize it by violence or usurp it. Similarly, nobody has ever seen an Arab head of state give up power voluntarily.

2. A democratic and secular opposition, which had been developing for months, has just been born in Tunisia. Men disenchanted by their experience hope to change the "change" peacefully. They are thus exposing this daunting deception, which is keeping the country in hibernation, namely that there are only two political protagonists in Tunisia: those who aspire to govern in the name of history and those who want to govern in the name of an eschatological messianism. Some men, and not unimportant ones, think, like Rousseau once did, that you can only legitimately govern in the name of the general will.

Conditions for Lawyers in Hammami Trial Criticized

*LD1304102594 Paris Radio France International
in French 0630 GMT 13 Apr 94*

[Excerpts] In Tunisia, the International Federation of Human Rights has denounced the circumstances in

which the two trials of Hama Hammami, leader of the Communist Workers' Party, have taken place. [passage omitted]

The only nongovernmental organization attending these trials was the International Federation of Human Rights. It also denounced the difficulties met by Tunisian lawyers in their work. Maitre Nathalie Boudjerada spoke to Ghislaine Dupont:

[Begin Boudjerada recording] [Tunisian] lawyers are showing extraordinary courage. They work in conditions truly alarming for their profession. All those taking part in political trials no longer have their passports. All have their telephone bugged. All are followed. On the eve of an important political trial, they are summoned to meet the minister of the interior or the minister of justice. Their cars and fax machines are stolen. Their working conditions as lawyers are really [word indistinct] and this is why I would like to praise their courage and dignity. It is really good to see that colleagues who are among the last remaining people to speak up under these regimes are continuing to plead, continuing to travel across Tunisia to assist defendants. [end recording]

INDIA

U.S. Policy on Kashmir Reviewed, Challenged

94AS0263A Bombay NAVBHARAT TIMES in Hindi
5 Apr 94 p 4

[Article by Sikandar Bakht: "Kashmir, Human Right, and America"]

[Text] All the announcements made by the government about the improving situation in Kashmir and the reduction in terrorist activities are wrong. The situation in the valley is still bad, and this fire has spread to the Jammu area also. Bombs are being blasted in Doda, Udhampur, Kishtwar, and Jammu city itself, and the sphere of terrorist activities is increasing.

Bomb blasts, loss of innocent lives, and looting and burning are very common now. It seems that the government is sleeping. Such incidents have been happening in Jammu region for the last four years. Our government refuses to wake up. We are not talking about limited activities, but of total inactivity! How can there be any good administration possible when the responsibility for administration has been given to criminals who have served jail terms, are untrustworthy, have bad records, and have been expelled from their positions for some crime or other. Such people have been appointed to important positions. These include persons who had opposed India at the United Nations level. How can we expect the situation to improve with such appointments? The situation in the home ministry is such that one minister says one thing and the other something else.

Both ministers in the home ministry have adopted different attitudes about Jammu-Kashmir, and the attitude of the Jammu-Kashmir government is yet another factor. Let us take the Hazratbal affair. It is hard to understand why the government wants to provide itself such an elaborate proof. The opinion of the security forces about it is very different.

How many murders have been committed in Doda and Kishtwar? How many bombs went off? What kind of situation exists in Jammu? The situation of the Jammu population is very different from that of the valley population. If the situation continues to worsen here, it could get a lot more dangerous than in the valley. I just do not understand some of the developments. My simple and straight question is: How long will we play with words? We want to continue our talks with Pakistan. We have also have presented six points on which the talks would be based. Pakistan has taken the position that it wants to talk to us on its own terms. I wish that the Parliament first explained to the people of our country what right Pakistan has to interfere in a situation that is between us and our people? Whatever is happening between us and our own people is our own affair and I just do not understand the reason for holding mutual talks [with Pakistan] over it.

Pakistan's position in Kashmir is only that of an aggressor. The only question we can discuss with Pakistan is: When will it withdraw from the area it has taken over as an invader? I fail to understand why we repeatedly use words which leave out many facts. Why have we accepted Pakistan according to its own perspective instead of from our own perception? Whenever we talk with Pakistan at the international level, we talk under the conditions set by Pakistan, for example, violation of human rights.

Why do not we tell Pakistan that it has no right to interfere in our affairs? We have failed to present our case to the world that the talks that are being held with Pakistan are over the part of Kashmir that is occupied by Pakistan. In fact, the talks should be held to discuss the region that Pakistan is occupying illegally. We have not been able to explain at the international forum that we can hold talks with Pakistan only based on the removal of the Pakistani government's and the Pakistani army's occupation of Kashmir. We have not been able to present this case strongly to this date.

Pakistan has talked a lot about self-determination, however, it does not understand what this term means. If we talk about self-determination within the framework of all countries in the world, every country has the danger of breaking up. Self-determination can lead only to breaking up a country.

Just like any other country, India also has its own borders. Is it possible that people from any part of India should ask for separating from India based on their self-determination right? Obviously, we cannot endanger any nation's unity this way. No part of India can be separated from it, and we must explain this very clearly to the international community. The fact is that the international community does not have the right to interfere in any country's internal affair. Jammu-Kashmir's merger into India is both legal and final. This has been fully supported in the United Nations also. The United Nations also has recognized that Pakistan is illegally occupying a part of Indian territory. However, we have fully failed in raising these basic issues. We must explain to the international community that if any Indian state is toyed with under Pakistan's pressure, the scary catastrophe of the 1947 partition would be reenacted. Unfortunately, the shadows of the 1947 partition are still chasing us. Pakistan by interfering in the Kashmir issue, various parties that are active in Kashmir, and the people who are trying to give a religious color to this affair, have all forgotten that India's Muslims do not live only in Kashmir. 120 million Muslims are spread all over India.

As for the human rights issue, the statements issued by Robin Raphel and Clinton are very disappointing. Robin Raphel has put a question mark on Kashmir's merger into India. By saying this, she has implied what the United Nations has said is also wrong. President Clinton and Robin Raphel forgot that the human rights in Kashmir are being violated by the terrorists who are

trained in Pakistan and sent to our country for carrying on murder and carnage in our country. I would like to ask a basic question of the Americans. Have they read the history of India? Do they know that the thousands of years old Indian culture is based on human rights? The foundation of our thousands of years old civilization and culture is human rights. Our nation's civilization never practiced piracy. Our nation has never colonized another country. We never even thought about colonizing. Our nation gave birth to Mahatma Buddha, Bhagwan Mahavir, and Mahatma Gandhi. These are the people who are known as ambassadors of peace and non-violence in the whole world. The United States itself fought a bloody battle to keep its unity. What lesson can it give us about human rights today? Other civilizations in the world have taken lessons from us in this subject.

It is surprising that whoever talks about human rights in Kashmir only sees the security forces. They never mention human rights violations committed by the terrorists who are playing with the lives of innocent citizens day and night. They do not mention that their extreme actions and atrocities have forced hundreds and thousands of Kashmiris to flee their homes and live in camps outside Delhi. Our government has failed to shed light on this aspect of terrorism in Kashmir. We can easily find an answer to this question if we recognize whether the terrorists or the security forces came to Kashmir first. It is clear that the terrorists came there and spread terrorism and tried to break up our country. That is when the need to send the security forces there was felt. The security forces are protecting lives and property of the citizens in Kashmir.

I want to tell the U.S. administration that the UN resolutions about holding a plebiscite that Pakistan talks about day and night also call for Pakistan to vacate the part of Kashmir it is occupying. We have failed to communicate this fact also. Is it not surprising that they are talking about holding a plebiscite by separating it from the whole resolution?

We are being very careful. I know the problems the government is facing. It has to go to the World Bank, and borrow money from the IMF. The situation is such that India cannot function without borrowing money, everything will close. We cannot borrow money from these international organizations until the United States supports our request. However, when India's dignity is challenged, when India's self-respect is challenged, then, in my opinion, we should remain hungry and not give the United States the right to trifle with our national pride.

The situation is very painful when we give our statements with such hesitancy, fearing that we do not get out of the diplomatic language. We are not willing to pawn our national pride and dignity to even the most powerful nation in the world—the United States or any other nation—when it comes to Kashmir and India's unity. The Indian people are willing to remain hungry, but are not willing to compromise their self-respect. We have to understand this perfectly.

I am now hearing some talk in my own country about starting a political process in Kashmir. I also support the political process. However, I have some questions before we do that. My first point is that political process has been tried in Kashmir for a long time. We had a government elected by democratic process functioning there. This political process has been working for several decades. The governments elected by the people ran the business in Kashmir. How did terrorism arise while these governments were there? Now, if we think that a political process is necessary to end terrorism, I do not want to muddle up this issue by saying that the present situation in Kashmir has resulted mostly from the lack of strong leadership there. The political process could not create a strong and responsible leadership. I wonder if the reason for starting a political process is to make the United States happy?

Varanasi, Mathura Temple Movements Said Under Way

94AS0262A Jalandhar PUNJAB KESARI in Hindi
1 Apr 94 p 4

[Article by Manmohan Sharma: "Sangh Family Preparing for Movements at Krishna's Birthplace and Vishwanath Temple"]

[Text] After Professor Rajendar Singh, popularly known as Rajju Bhaiya, was named the fourth director of the RSS [Rashtriya Swyamsevak Sangh], the possibilities of the RSS family forming an aggressive attitude have increased. Rajju Bhaiya is a politician and his appointment will definitely influence national politics. In addition to making plans to build Rama's temple in Ayodhya, the Sangh family is rigorously preparing for obtaining Gyanvapi Mosque in Varanasi and Krishna's birthplace in Mathura. There will be vidhan sabha elections in 10 states next year. Rajju Bhaiya will have to plan a strategy in order to improve BJP's [Bharatiya Janata Party] situation during these elections. It was decided in the BJP's national working committee meeting held recently in Hyderabad to emphasize the issue of Hindutva.

Seeing the present situation of various Sangh family organizations, accepting the position of the RSS director is analogous to wearing a crown made of thorns. Rajju Bhaiya will have to take strong action to stop the waywardness which is increasing in the once-disciplined Sangh family. It is said that Rajju Bhaiya is very upset at the increasing undiscipline in the BJP. It was also learned that he had directed BJP leaders to give up their royal living style and lead simpler lives.

There are also talks about the RSS attitude becoming very severe towards the present central government. Only a few people know the fact that former Sangh President M.D. Deoras and Prime Minister Narasimha Rao were classmates in Nagpur a long time ago and both talked to each other directly. Perhaps that is why the BJP had helped Mr. Rao many times when Mr. Rao was in

trouble. Recently, there was a similar occurrence. The government was having problems in getting the bill asking for the privatization of banks, insurance companies, and airlines passed. Raja Maheshwar Singh, a BJP member, had the plan to disobey the president's directive. However, he did not push it. The BJP member abstained when the vote was taken. Similarly, the BJP helped the government in getting a bill passed in the Lok Sabha. Rajju Bhैया admitted that Atal Behari Bajpayee had accepted the leadership of the Indian delegation to Geneva with his permission. Now the attitude of the Sangh family definitely will change towards the Rao government. The RSS wants to get other parties' support against the Dunkel proposals. It is said that RSS had assured George Fernandes of its cooperation in opposing the Dunkel proposals, however, Fernandes did not accept the offer. It was also learned that Rajju Bhैया met Chandra Shekhar recently and offered to start a campaign against the Dunkel proposals, however, Chandra Shekhar suggested that it would be better for the two parties to run their campaigns separately. The word is that Rajju Bhैया had formed this strategy to separate left-wing parties from other parties. It also appears that Rajju Bhैया is very eager to establish contacts with Janata Dal's V.P. Singh. He was V.P. Singh's professor at Allahabad University. It is also being said that Rajju Bhैया supports the idea of establishing coalitions with the non-Congress parties in the states where the BJP is weak, however, the BJP high command does not support this idea. It wants the BJP to win the next election on its own strength as forming coalitions with other parties will only hurt the BJP. Therefore, the possibility of the BJP forming a coalition with a non-Congress front is very small.

Rajju Bhैया has announced that the claim on the Gyanvapi mosque in Varanasi and on the Idgah building in Krishna's birthplace in Mathura will not be relinquished. The Vishwa Hindu Parishad (VHP) has selected these three [including Ayodhya] places from among more than 3,000 sites for return to their original use. These sites are extremely holy for the Hindus and are of no importance to the Muslims. Therefore, the Muslims should hand these over to the Hindus to win their goodwill. This will help foster friendship between the two groups. He said that this is the goal, however, the VHP has to decide how it achieves this goal. The Sangh family will cooperate with the VHP in this effort.

The VHP has been claiming for the last several years that other religious groups have taken over 3,000 to 5,000 Hindu worship places and have changed the structures totally. The victors had done this to crush the self-respect of the vanquished community and to destroy the Hindu culture. It is said that Mogul emperor Aurangzeb had destroyed the Vishwanath temple in Varanasi and built a mosque on that site. This is known as Gyanvapi mosque now. Similarly, the temple in Mathura at Krishna's birthplace was destroyed by Aurangzeb, Mehmood Gaznavi, and others several times. At present, the Idgah that Aurangzeb built at Krishna's birthplace stands there.

After destruction of the Babri Masjid in Ayodhya, security arrangements around these places in Varanasi and Mathura have been strengthened. Steel fencing costing over 250 million rupees has been built around these places, and para-military forces are protecting them round the clock.

It is important to mention here that the present Vishwanath temple was built by Indore's queen Ahilya Bai and Sher-i Punjab Ranjit Singh had mounted about five mounds [about 200 kilograms] of gold on its roof. At present, this temple is under government control. Similarly, Varanasi's king Patni Mal had bought Mathura's site for 5,000 rupees in an auction from the East India Company. In 1935, Pandit Madan Mohan Malviya decided to rebuild it and contacted Seth Ghanshyam Das Birla. Rai Krishna Das was Raja Patni's successor and did not want to sell this historical place and Birla did not want to accept it for free. It was decided in the end to pay 5,000 rupees to Ram Krishna Das as fee for this land, which he would later donate to the temple foundation. When the temple foundation dug the land for laying the foundation, they found many ancient artifacts there. These prove that Krishna was born at that site. Mr. Malviya did start the work of building this temple, however, he could not finish it. He died during that time. The temple was finished due to the efforts of the Birla brothers and the editor of KALYAN, Jay Dayal Goenka, however, the Idgah building still stands on the original birthplace. The Hindus are not allowed to enter the Idgah. The same is true about the Gyanvapi mosque.

The RSS was founded by a Congress Party member, Dr. Keshav Baliram Hedgewar in 1925 in Nagpur. The goal was to unite the Hindus and protect their religion and culture. The RSS slowly spread in various parts of the country. After Dr. Hedgewar's demise in 1940, the working committee opened a sealed envelope left by him and learned that he had appointed M.S. Golwalkar as his successor. Before working for the RSS, Golwalkar was a mathematics professor at Benares Hindu University. At the time he was appointed to the executive director's position, he was working as its secretary. He was only 34 years old at that time.

The government banned the RSS for four years when Mr. Gandhi was assassinated. Over 200,000 volunteers took part in a satyagraha [peaceful demonstration] to help remove this ban. Guru Golwalkar established several front organizations in order to expand RSS activities. Golwalkar just before his death in 1973 appointed then general secretary Balasaheb Deoras as his successor by leaving his name in a sealed envelope.

Three months ago, I informed the nation before anyone else that Balasaheb Deoras was ready to retire and appoint a capable person as his successor. Professor Rajendar Singh was one of the possible successors. When this news was published in the PUNJAB KESARI many people refused to believe it. Some people were very critical of it, however, now it has been proven that my information published in The PUNJAB KESARI was correct. It is true

that Balasaheb Deoras' health was not good for the last two years. He had a stroke and his body was paralyzed, however, this news was kept secret from the members. Last year, when his younger brother, Bhaurao Deoras, died in Delhi, some of the members saw his serious condition at the Nigambodh cremation place. At that time, he had expressed his desire to one of his senior associates that he wanted to appoint an able successor since he could not do his job because of his illness.

As for Professor Rajendar Singh also known as Rajju Bhaiya, he is 72 years old. He was born in Bulandshahar in Uttar Pradesh. His father, Thakur Balbir Singh, was the first Indian chief engineer of Uttar Pradesh. He was educated at the Modern School in Delhi and a very good public [private] school in Nainital. He scored highest points in the high school examination in the whole nation. He earned M.S.C. in physical sciences from Allahabad University. Until 1942, he was a card-carrying Congress Party member. At that time, he met Bhaurao Deoras, who brought him into the RSS. Between 1952 and 1966, he worked as a professor and also worked for the RSS to expand its program. He resigned from the university in 1967 and was appointed the administrator for the northeastern region. He was also administrator for Uttar Pradesh. In troubled times, he took responsibility for administration. He was appointed associate director of the RSS.

He was appointed executive secretary in 1978. The high command removed him from this position in 1987. At that time, it was claimed that he had resigned from the position because of his poor health. His successor was H.V. Sheshadri who was also the chairman of Dr. Hedgewar's birth centennial celebration.

The first three executive directors of the RSS were Maharashtrian Brahmins while Rajju Bhaiya is a Rajput from Uttar Pradesh. For the first time in the history of RSS, the executive director has appointed his successor while he was still alive. The first three executive directors of the RSS were bachelors while Rajju Bhaiya is married and has a family.

There are several administrators in the RSS high command who are senior to Rajju Bhaiya. These include Dattopant Thengari, the founder of the Bharatiya Mazdoor Sangh [BMS] (Indian Labour Union), who is considered the greatest thinker in the RSS family. He also founded another associate organization, the Bharatiya Kisan Sangh [BKS] (Indian Farmers Union). He is a Maharashtrian Brahmin and has been a Rajya Sabha member for 12 years. In addition to him, Mr. H. V. Sheshadri, the present executive secretary of the RSS, is the most powerful person in the RSS. He is from Karnataka and a writer by profession. He has written dozens of books. Moropant Pingle is also a senior administrator and has been executive secretary once. He is the head of the VHP now. He is a skilled organizer and a Maharashtrian Chitpawan Brahmin. Why did Balasaheb Deoras ignore these senior officials and appoint Prof. Rajender Singh his successor? There are various

conjectures about it. It is not possible to say anything definite about any of these people.

The new executive director has appointed Mr. Sheshadri the secretary general. It was the first time in the RSS history that three joint secretaries were appointed. These include C.K. Sudarshan who was still in this position when Suresh Katekar was appointed joint secretary. The third joint secretary is Madan Das who was the president of the All India Students Federation until recently. He was appointed secretary general of the anti-Dunkel awareness campaign.

He has appointed Abha Thite, Guru Golwalkar's personal secretary, administrator of eastern region, Jitendra Vir as northern region's administrator, and Subraynam Swami as southern region's administrator. He also appointed B. Hari central administrator for India, Bal Apte as head of the All India Students Federation, and Ashok Singhal as the head of the VHP [Vishwa Hindu Parishad]. His team is relatively young and most of them are about 50 years old.

It is important to mention here that the executive administrators of the RSS are also responsible for taking care of the other organizations within the Sangh family.

There are about 7,000 administrators. They are not allowed to marry. The Sangh has about 35,000 branches and has a membership between 7 and 9 million. There are 47 organizations in the Sangh family. The major organizations among these are the BJP, VHP, Indian Labour Union, Sanskar Bharati, Vidya Bharati, and the BKS.

Government Dismissals in Ayodhya Case Upheld

94AS0255D Bombay THE TIMES OF INDIA
in English 12 Mar 94 pp 1, 15

[All names as published]

[Text] New Delhi, March 11. In an historic verdict, the supreme court today unanimously upheld the dismissal of the erstwhile BJP [Bharatiya Janata Party] governments in M.P. [Madhya Pradesh], Rajasthan and Himachal Pradesh in the wake of the demolition of the Babri masjid at Ayodhya on December 6, 1992, and at the same time struck down as unconstitutional the sacking of the three other ministries, including that of the S.R. Bommai (Janata Dal) in Karnataka, reports PTI [Press Trust of India].

It is for the first time the dismissal of state governments and imposition of President's rule has been held as unconstitutional.

Delivering judgment on petitions challenging the validity of Article 356 of the constitution under which these governments were dismissed and President's rule imposed, the nine-judge bench, headed by Mr. Justice S.R. Pandian, declared in unequivocal terms that secularism being the bedrock of the constitution, any act of a state to subvert this could "lawfully be deemed to give

rise to a situation where the government cannot be carried on in accordance with law".

The judges on the bench comprised Mr. Justice A.M. Ahmedi, Mr. Justice Kuldip Singh, Mr. Justice J.S. Verma, Mr. Justice P.B. Sawant, Mr. Justice K. Ramaswamy, Mr. Justice S.C. Aggarwal, Mr. Justice Yogeshwar Dayal and Mr. Justice B.P. Jeevan Reddy.

The bench, however, held as unconstitutional the 1989 dismissal of the Janata Dal government headed by Mr. S.R. Bommai in Karnataka and the Meghalaya and Nagaland governments in January 1991 and August 1988 respectively.

The judges made it clear that they could, however, not direct the revival of these governments as fresh elections held during the intervening periods had led to the installation of new ministries.

The sharpest indictment of the policies and programmes of the Bharatiya Janata Party came from Mr. Justice K. Ramaswamy who dwelt at length in separate but concurring judgment on the party's efforts to use religion in politics which was expressly prohibited by the constitution.

"Any act by a political party or government of a state in furtherance of its policies and programmes to mix religion with politics is violative of not only the law but the constitution," Mr. Justice Ramaswamy declared.

The judge observed that if religion was overplayed by political parties it was bound to result in eruption of social tensions. Religion he said cannot be mixed with politics.

Justifying the imposition of President's rule and the dissolution of the assemblies of the three states, Mr. Justice Ramaswamy said when the President feels that religion had been mixed with politics by the party in power he was free to reach a satisfaction under Article 356 in accordance with law.

Earlier, Mr. Justice Pandian in his judgment said he was however, of the firm opinion that the power of the President to impose President's rule and dissolve assemblies, should be used sparingly only when he was fully satisfied as to the situation. The party in power at the Centre should not be allowed to use the provision to disrupt constitutional balance by frequent exercise of the power through the President who acts on the advice of the Centre.

Mr. Justice Pandian pointed out that as per official records, in the last 41 years Article 356 had been invoked by various ruling parties in power at the Centre 95 times. On 23 occasions assemblies were dissolved and in 18 cases the assemblies kept in suspended animation had been revived.

"Pathetically, the provisions had been used frequently to disrupt constitutional balance and as a result the chief ministers of the states were held in perpetual fear of the act of Presidential proclamation. The chief ministers were in many cases not sure that they would remain in

power and stand up in their seats to fulfil constitutional obligations," Mr. Justice Pandian said.

In his judgment, Mr. Justice Ahmedi said article 74(2) under which the Prime Minister and his council of ministers advise the President in the exercise of his power to impose President's rule was not a bar for judicial review of the decision.

Merely because a political party had come to power at the Centre with a majority was not sufficient reason for imposition of President's rule to dislodge state governments led by other political parties.

In his concurring judgment, Mr. Justice J.S. Verma said only objective factors like subversion of the principles of secularism and failure of constitutional machinery of the state could be used to invoke Article 356.

The judge said imponderable materials which do not strictly constitute legal evidence and thus are incapable of being tested in a court of law, cannot be judicially reviewable.

Mr. Justice P.B. Sawant in his judgment ruled that the validity of the proclamation under Article 356 was judicially reviewable to the extent that the materials relied on by the President were not relevant or extraneous and the exercise of power was mala fide.

In such a case if the concerned state government effected by the decision could make out a prima facie case then it would be the burden of the Central government to prove that the materials did in fact exist.

Mr. Justice Sawant was also of the view that article 74(2) was not a bar against scrutiny of the material on which the President had based his satisfaction.

The judge made it clear that since Article 356 was also intended to check the power of the President in imposing President's rule, it was not permissible for the President to take irreversible action of dissolving the state assembly till Parliament approved his action in imposing President's rule.

Mr. Justice Sawant said if the presidential proclamation was held invalid notwithstanding Parliament's approval the court had the power to restore status quo ante of the legislative assembly.

Kanshi Ram's Political Impact Said Expanding

Muslims, Backward Castes Attracted

94AS0264A New Delhi JANSATTA in Hindi 7 Apr 94
pp 1,5

[Article by Hemant Sharma: "Kanshi Ram Is Extending His Influence Amongst Backwards and Muslims"; all quotations marks as published]

[Text] Kanpur, 6 April. After having the Dalits on his side, Kanshi Ram is trying to expand his base among

other backward castes and the Muslims. The Kushwaha and Muslim conference on Tuesday in Kanpur was part of this effort. Kanshi Ram's cunning strategy is to steal away Mulayam Singh's support base. However, Kanshi Ram has taken this initiative in order to be able to form a government in U.P. [Uttar Pradesh] on his own. Kanshi Ram argues that the Dalits, backwards, and Muslims make up 90 percent of the country's total population. If they united, then the 10 percent high caste people would not have any clout.

Kanshi Ram is playing his "backward" card to attract the other backward castes. He made this an issue in yesterday's meeting. Kanshi Ram said that the backwards make up 52 percent of the population, however, their share in the nation's government and administration is only three percent. Every leader who had played the backward politics, has deceived them.

Kanshi Ram sang this same song until late that night in the Chaman Ganj area. In this meeting, organized by the Indian Islamic Organization, Kanshi Ram said, "The Brahman group is responsible for the injustice against the Muslims. If you join the Dalits, no power can rule you." Kanshi Ram said that the lower castes and Muslims have united in Kanpur for elections. Until now, the Brahman forces have been using them [Dalits] for causing riots so that some of them die and the Brahmins could benefit.

Not many Muslims came to hear Kanshi Ram in this Muslim-majority area. The speeches were very hot, excited, and dramatic in this meeting attended by about 2,000-2,500 people. Amidst the "Allah-ho Akbar" slogans, it was said, "Neither a court nor a government can make decisions on the Babri Masjid. We are strong. If we have the authority, we will build the mosque there." Maulana Habib-ul Rehman Ludhianvi said in Kanshi Ram's presence, "The friendship between the Dalits and the Muslims is very old." Later, Maulana also advised Kanshi Ram to convert to Islam.

Calling Kanshi Ram the greatest supporter of the Muslims, Kanpur's leading Muslim Maulana Abdul Baqi appealed to the Muslims to follow Kanshi Ram. This meeting was held through the efforts of Masaud Ahmed, the state minister for education. In order to make sure that only the BSP [Bahujan Samaj Party] benefits from this meeting, Mulayam Singh was not invited despite great efforts by the SP [Samajwadi Party] people. Even Mulayam Singh's name was not mentioned in this meeting. Kanshi Ram and the BSP were called the real saviors of the Muslims in this meeting. It was said that Kanshi Ram provided 96 vidhan sabha and 21 Lok Sabha seats to the Muslims in the 1989 election. The numbers for the 1991 election were 105 and 22 respectively. No other party has ever given so many tickets to the Muslims. In the 1993 vidhan sabha elections, the Congress gave Muslims 26 out of 425 tickets, the Janata Dal 29 out of 375, and the Samajwadi Party gave 36 out of 265 tickets to the Muslims. However, Kanshi Ram

gave 49 out of 167 tickets to the Muslims. Therefore, only Kanshi Ram can be the answer to the problems of Muslims.

Kanshi Ram said that the Muslims were in a dilemma during the recent election. They were not with Mulayam Singh, however. They were joining him [Kanshi Ram] now because he had called more than 40 meetings "to encourage brotherhood." The BSP people have travelled on bicycles to improve relations. That is why the Muslims are not taking part in riots happening in the western and northern parts of the state. The government has abused the Muslims. Mansoor Khan, the state's education minister, appealed to the Muslims, "You have seen them all. Now give two months to Kanshi Ram. All your problems will be resolved."

In the Kushwaha Mahasabha meeting, Kanshi Ram told the same things to other backward groups. He said, "This is your condition today. You are the majority among the backward castes, but you have no part in administration or the government. You are misled during the elections. You support the Janata Dal, the Congress Party, and the BJP one after another. The partnership of the backward castes in Uttar Pradesh government is less than that even of the Dalits. It has been 64 years since the Round Table conference was held, and 45 years since we got independence. However, the backward castes have not received their share yet."

Kanshi Ram referred to the IAS [Indian Administrative Service] to impress this fact on the backwards saying, "There are 550 IAS officers in U.P. and only seven of them are from backward classes. The Dalits trusted Dr. Ambedkar and listened to him. That is why there are 112 officers from the Dalit group. The backward castes are 50 years behind the Dalits now. They must think now and the whole Bahujan Samaj will have to fight as a group."

Kanshi Ram refuses to admit that he is trying to cut his associate Mulayam Singh's support base. He said, "I am just uniting the BSP." However, many SP leaders did join the BSP in the Kushwaha conference. High state officials along with several hundred cars with blue and red lights were there to protect Kanshi Ram.

Challenge to Established Parties

94AS0264B New Delhi JANSATTA in Hindi 5 Apr 94
p 4

[Article by Prabhash Joshi: "Who is Afraid of Kanshi Ram?"]

[Text] The muck that Mayavati slung around did not stick despite the Holi festival. There just was no question of its sticking on Gandhi. However, even Kanshi Ram could not understand what happened to this muck that was flung around after a lot of planning. Now he is going around telling people that if the BSP government is formed, he will remove the Rashtrapita [Father of the Nation] title used for Gandhi. If Kanshi Ram does not know, we must tell him, that calling Gandhi Rashtrapita

has nothing to do with any government. No Congress government has given this title to Gandhi. There is no law which says that Gandhi should be known as the Rashtrapita. In the constitution written by Baba Saheb Ambedkar, there is no article about "Rashtrapita."

There is a position of president in the Constitution. The Sangh family people who consider it inappropriate to call Gandhi the Rashtrapita should ask themselves why should the nation called India have a "pati" [husband] when it does not have a "pita" [father]? Similarly, is the army a woman that it should have a pati? I know that "pati" in "senapati" [military commander] does not mean husband. However, the "pita" in rashtrapita does not imply a father, either. Neither the Sangh family nor Kanshi Ram is doing any favor to poor Babu [father] Gandhi. Neither the Congress Party nor the Congress government made him the father of the nation. It was Subhash Chandra Bose who first called him the father of the nation, and just like Ambedkar, he disagreed with Mr. Gandhi on several issues. Many people admit that Bose was not treated fairly similar to the treatment of Ambedkar.

It is popular practice to call Gandhi the father of the nation and this appellation materialized during our independence struggle. As long as the people respect him, it does not matter whether there is a BSP government or a BJP [government]. They may have a huge majority in the Parliament but this image just cannot be removed from people's minds. No government can remove popular beliefs by issuing edicts. Even dictators like Hitler and Mussolini could not change the people. Autocratic communist governments could not make such changes. The power of the government is limited when dealing with the populace.

If Kanshi Ram cannot understand this truth about human society, it is not just because like Mayavati, he is a political illiterate (as Chandra Shekhar put it). Kanshi Ram and Mayavati both consider themselves representatives of the lower castes. They distort history while speaking the language and clichés of the people around them. That is why the talks of Manyavar [respected one] (as Mayavati calls him) are said to be some kind of epigram language in the Hindi-speaking areas. One epigram popular around here is, "The new mullah [Muslim priest] chants Allah-Allah all the time." We do not have to explain it since no one can understand it. The 'Respected One', Kanshi Ram, is the newest mullah in the government. He is a junior partner in Mulayam Singh's minority government in Uttar Pradesh. However, he is crying "power" as if he is a political Allah.

However, this is not the only proverb that fits him. There is another axiom that the Hindi region has for people like him. I know that people will say that I am using this proverb because of my Brahmanic arrogant mentality. Let them say that. However, just like there is no proof that the word 'Harijan' was coined by Mahatma Gandhi, there is no proof that this proverb was originated by a Brahman or the Brahman caste. You all know this proverb and it is popular in different regions in different

formats: If a mouse finds a rag, it considers itself a cloth merchant. In some places, they say: If a mouse finds a rag, it considers itself a king.

Now, there are at least 25 states in India that is Bharat. Uttar Pradesh is one of these states. It is the largest state if you consider population, however, it is still only one of 25 states. Its vidhan sabha has 421 seats and there were elections for these 421 seats last November. The Bahujan Samaj Party which supposedly represents bahujans (the masses) won only 68 seats out of the total of 421 seats. It had this success only because it ran for elections in cooperation with Mulayam Singh Yadav's Samajwadi Party. Manyavar Kanshi Ram's BSP could not even win one-sixth of the total U.P. Vidhan Sabha seats. If we count all the seats in state vidhan sabhas in the nation, these 68 seats look like a small rag cut out of the huge bolt of cloth. However, Kanshi Ram is using these seats to announce that his party will form governments in several states during the next two years, and the BSP will form the government at the Center [national government] after the '96 election.

We do not have to go very far [for proof]. BJP [Bharatiya Janata Party] claimed that a larger number of people participated in the Rama temple campaign than in the independence struggle and considered itself to be the only representative of Hindus who constitute 82 percent of the nation. BJP had established its governments in four states—Uttar Pradesh, Madhya Pradesh, Rajasthan, and Himachal—in December 1992. It also had 119 seats in the Parliament. Its Rama disciples did not care for anyone else and destroyed the Babri Masjid while celebrating a "Hindu victory day." The BJP was fully confident that the injustice done to the one of the holiest Hindu shrine was vindicated, therefore, the whole Hindu world would be ecstatic and the BJP would win any election from there on. Its slogan during the election held a year later was, "Now five states, tomorrow the whole nation." What did the Hindus of these five states do to the BJP? We do not need to tell you that.

Compared to Manyavar Kanshi Ram's BSP getting 68 seats, right here in Uttar Pradesh the BJP won 2.75 times more seats during this very election! If we look at the percentage of votes, the BJP received six times more votes than did the BSP. Kanshi Ram calls his BSP the party of the masses because if the scheduled castes and tribes, backward castes, and Dalits are combined, his party would have the majority of people in this country behind it. The BJP arithmetic was much simpler than this. It did not have to combine several castes. More than 82 percent people in this country are Hindus. There is only one party of the Hindus—BJP. Hindutva [Hinduness] is its only philosophy. Kanshi Ram considers the higher castes separate from himself while the BJP considers all Hindus to be one. If we use Kanshi Ram's reasoning, the BJP should have the right to form the government all over India permanently since the Hindus have the majority vote in India.

That fact that the Hindus in the nation are not with the BJP was proved not only during the November elections but during all the elections that were held in the past. How can we accept Kanshi Ram's claim that the Dalits, semi-Dalits, and all backward castes are with him? In any society, the majority never works together, however, the minorities have the tendency to unite in every part of the world. Jinnah had claimed that the Muslims in the whole country were with him and his Muslim League was the only party representing the Muslims. Only the English who wanted to divided India into several countries endorsed Jinnah's claim. The minority Muslims in India did not accept that. When Pakistan was established, and even now, there were and are more Muslims in India than in Pakistan. No one has forced them to live in India. Most of the Muslims in undivided India preferred to stay in secular India rather than going to Islamic Pakistan. What better example can there be to show the hollowness of the claims made by the sole representatives of a caste or religious group?

Kanshi Ram, who has the rag of 68 seats and is in the government for a short time, is challenging everyone in the nation on behalf of the BSP. If he does not understand the reality of BJP, we will present him with the example of Devi Lal. Devi Lal had won 86 of the 90 seats in the Haryana vidhan sabha. At that time, he was considered the most powerful leader using caste as an issue. He not only considered himself the leader of the Jats in Punjab, Haryana, Uttar Pradesh, and Rajasthan, but also wanted to become the leader of farmers all over the country. The BJP was confident that all Hindus were with it. If they were not, they were going to be. Kanshi Ram believes that all Dalits and semi-Dalits are with him. Since the Hindus and the Dalits and semi-Dalits are the majority, both the BJP and the BSP claim that they can form a government over the whole nation.

Devi Lal also had the same confidence in the majority. He knew, and said openly, that there are no Jats [farming caste] south of the Vindhya mountains. Therefore, he considered himself the leader of the majority because he was a farmer and not because of the power he got as leader of the Jats. He said that farmers were all over the country and, therefore, farmers were the majority in an agricultural nation. If all farmers united, he would be ruling the whole country. Devi Lal wanted to rule the nation as the leader of the farmers. He used to openly ridicule the Indian Farmers Union. His simple argument was that a union is formed by a weak and minority group to fight against the powerful majority. What need did the farmers have to form a union? They have the majority in the nation, and votes.

Devi Lal wanted to form the government of farmers just like Kanshi Ram wants the government of Dalits. Devi Lal ridiculed the farmers union because he believed that the farmers made up the majority in the nation, and they should form the government. The rest of the people should be at their mercy. Similarly, Kanshi Ram ridicules reservation quotas. The majority in the nation are the Dalits and they should have the government. When

they form the government, the minority Brahmans, Kshatriyas, and other castes will have reserved quotas. Devi Lal believed that all the problems the farmers have will be resolved once they have their own government. Therefore, he asked the farmers to unite and help him form the government with their votes. Kanshi Ram also says that if the Dalits win the government, all their problems will be resolved. Thus, he is going around telling the Dalits that he will help them form their own government. Just like providing government to the farmers meant Devi Lal being in the government himself, Dalits being in the government means Kanshi Ram being in the government.

When being in power becomes the means and end to one's being, then the result usually is what happened when Devi Lal took power or what happened to Indira Gandhi and the country when she became all powerful in the government. The same is happening to Laloo Prasad Yadav in Bihar. Kanshi does not appear to understand that Devi Lal had a broader and more powerful support base, however, he used it to gain a powerful position in the government for himself. How is Devi Lal doing now and what happened to Indira Gandhi? Whichever leader tells the people that his or her becoming the head of the government is the panacea for their ills, is only looking for power for him or herself. Such leaders do not help the people. Instead, just like Bhasmasur [a mythological character] they destroy themselves. What happened to Devi Lal will happen to Kanshi Ram soon. You will see!

I am saying this not just because when the goal is only to gain power and position, it is self-destructive. The other reason is that the government of religious groups or a narrow-minded government of small factions just can not succeed in this country. Only a government with popular support can be stable. A government based on confrontation and dissension collapses like a sand castle in no time. The Marxists said, "Laborers of India, unite! You have nothing to lose except your chains." The Indian workers never united to form a government. The farmers were later told to unite and make a government. The farmers have not yet formed their government. The farmers and the laborers were asked to unite and make their own government. They neither united nor did they form a government of their own.

Later, in the seventies, all non-Congress parties succeeded in forming their own government. It did not last two and a half years. After 12 years, a government representing the lower and middle castes was formed. It did not last even one year. Then, they tried to unite the people over religion to form a government. By inciting caste-related memories and religious emotions, they created a paralyzing atmosphere. Even religion could not provide stability to the leaders in the government. Now Kanshi Ram is pitting the Dalits, backward castes, and minorities against the high caste people and other exploiters in order to win himself a government position. He is having various castes fighting with each other at different places. He has only 68 seats and is just a junior partner in the government. He has no clout in any other

state or the Parliament. What will happen to him in the next election? Now, he is stating; You will see us in 10 states next year and at the Center the year after that!

We have many or rather innumerable castes. None of these castes is spread through the whole nation. Those castes that are in every region are not equally powerful in these regions. Any caste that is powerful in one state could be very weak in another. A caste could be able to rule in one place and could be just a server in another. Neither Brahmans nor Rajputs ever ruled the whole nation. Not only have middle and backward castes ruled at one time, but even aborigine groups like Gond, Bhil, Bhilale, Muiya and Santals have also ruled. A caste, a coalition of castes, groups or an organized group cannot rule the whole nation. Those who know their religion and know the caste system of their society did not try to rule the whole nation in the name of religion or caste. If a religion or caste did gain power, however, their government was stable because they cooperated with other religions and castes and had a broad social base for supporting their government. The country has functioned well by the cooperation of opposing forces and not by creating tension and confrontations among groups.

When Chandra Shekhar said that many politically illiterate people like Mayavati have emerged, he did not mean that these upstarts have read neither Gandhi nor Ambedkar. He means that these people do not understand the government of this country or the disposition and character of the social, economic, and moral bases that give it stability. One can seize power for the sake of gaining power, however, one cannot maintain it without giving cohesion to the broad political, social, economic, and moral missions. Kanshi Ram does not have such a broad mission. The pathetic man thinks that he will get into government by having the lower castes fight with the so-called high castes. He will have the Indian society bathe in the blood of caste friction. The political parties are not exposing his deceitful ploys because they are afraid of losing Dalit votes. Who is afraid of Kanshi Ram? Only those who have become shallow because of their involvement in corruption. A small rag does not a cloth market fill. What happens when one keeps repeating Allah, Allah? If you do not know, go ask Kabir [poet who ridiculed dogmatism].

Conflict Within Jharkhand Movement Examined

94AS0263B New Delhi JANSATTA in Hindi 9 Apr 94
p 4

[Article by Malik Asgar Hashmi: "Let Someone Remember Central Bihar"]

[Text] The Jharkhand parties now and then get the whim to have an separate Jharkhand and engage in economic boycotts. Whenever they get such impulses, they totally destroy one part of Bihar. During this period, government property is destroyed methodically. Education in schools and colleges is stopped for this reason. Travel is disrupted for weeks, buses and trucks are burned, and roads and rail

tracks are destroyed. Banks and post offices are repeatedly made ugly by this destruction. Why do the Jharkhand parties do this? When they are questioned about it, they declare their actions to be valid by saying that they need a separate Jharkhand and their economic boycotts to put the pressure on the government.

Interestingly, since independence these leaders have been demanding a separate Jharkhand composed of at least 16 tribal-majority districts. However, they have not been successful in getting their demand accepted to this date. Instead, each time they come out in the streets raising slogans about sealing off Jharkhand or of economic boycotts they only hurt themselves. Who will be affected if all education, transportation and government work is stopped for weeks and months? The people of this area, of course.

It is possible that Jharkhand leaders will argue when this question is posed that one must lose something to gain something. However, what will they gain? They say that the tribal-majority districts are comparatively backward in this region. The people still live in jungles there. Very little development work has been done here compared to other parts of the state. Women and laborers are exploited here. However, these are not the problems that can be resolved by establishing a separate state for the tribals. Also, which part of our country is free from such problems? The noise that the Jharkhand leaders make over this region is also useless. This area has seen a great change since independence. If one looks at these 16 districts in Bihar, one will learn that (with exceptions) there is no indication that these districts are more backward than other areas. Instead, these districts appear to be more developed than other parts of the state. The roads here do not appear to have holes like those in other districts.

All the major factories in Bihar are located in the Jharkhand region. 42 percent of the minerals and jungle products that are produced in the state come from this area. The breeze of modern development mostly blows in this part of the state. Most computer work is being done here. All the governments until now have done most of the development work in this region. Seeing this, what valid reasons do they have to give backwardness as the reason for a separate Jharkhand state?

If truth be told, it is central Bihar that has the most problems. If the people of this area make noises because of their problems, it could be considered legitimate. After independence, this land of Buddha, Ashoka, Chanakya, and Jarasandh has been most neglected. The bad condition of this area spread from Bhagalpur to Buxar and Patna with its 20 million population indicates that no economic development project was implemented appropriately in this part of Bihar during the last 45 years. Whatever there was in the past has also been neglected. As the result of this neglect, the cigarette and gun factories in Munger, engine factory in Jamalpur, cotton mill in Gaya, stone quarry industry in Karbandia, Dalmia industries, cement factory in Bolia, sugar and

rice mills in Gaya, Gushru, Barsaliganj, Bihta and Dalmia Nagar all have closed.

The irrigation system in central Bihar has also vanished after independence. Before independence, the major landlords and farmers in this region had spread a network of wells, canals, and irrigations ditches. After 1947, when the land was taken away from the landlords, they ignored the irrigation sources. The situation is so bad in this region that only 60 percent of the area has irrigation facilities. The Mosen water reservoir, the Northern Koyal Irrigation Plan, Dhadhar Irrigation Plan, Eastern Higher Sone Canal, Sarohar Canal, and the Yamuna Canal all have been destroyed due to lack of maintenance.

Except for in Patna, there is no other major railway station in central Bihar from where trains leave to large cities like Delhi and Calcutta. No new railway line was built here after independence. The people in this area have been feeling the need to have a double line between Patna and Gaya and a new railway line between Rajgir and Bodh Gaya. No attention has been paid to this need, and there appears to be little hope of anything being done now.

Two railways minister were from Bihar. One was Lalit Narayan Mishra and the second was George Fernandes. Both of them had become ministers after winning Lok Sabha seats from northern Bihar. Therefore, they spent more time in improving the railways situation in northern Bihar than in central Bihar. There always had been a dearth of sharp leaders from central Bihar. Most of the state and central cabinet members are from southern and northern Bihar. If one legislator from this area became a cabinet member by chance, he only paid attention to his own personal growth. The people who would let the region rot are the kind who get elected as ministers from this region. During the eighties Aurangabad's Babu Satyander Narayan Singh was appointed chief minister for some time. However, he did not do anything to help this region.

The slight by the politicians and neglect by the government have resulted in the Naxalite problem taking roots in central Bihar. The people in rural areas in this region hide in their homes after sunset. Major landlords are especially scared of the Naxalites. They have formed several private armies known as the Sunlight army, Vir Kunwar army, Lorik army, and Diamond army etc. There are regular bloody skirmishes between these private armies and the Naxalites. The Naxalites do not hesitate to harass the poor. News about amputating their noses, ears, hands, feet, and necks come from this area often.

You can wonder which area should campaign for a separate state in such a situation. Will a region resolve all its problem by just forming a separate state? Another important question in this context is: If this region of Bihar with its mineral products and factories is made into a separate Jharkhand, what will be left in the rest of Bihar?

Rajendra Singh Takes Over as RSS Chief

94AS0255C Calcutta THE STATESMAN in English
12 Mar 94 p 1

[All names as published]

[Text] Nagpur, March 11.—Professor Rajendra Singh alias Rajju Bhayya today took over as the *sarsangh-achalak* (chief) of the Rashtriya Swayamsewak Sangh [RSS], which controls the Sangh Parivar, including the BJP [Bharatiya Janata Party] and the banned Vishwa Hindu Parishad, reports PTI [Press Trust of India].

The formal announcement of the stepping down of Mr. M.D. Deoras, the ailing 79-year-old RSS chief, was made at a press conference this evening by the organization's general secretary, Mr. H.V. Seshadri. Rajju Bhayya told reporters that there would be no change in the direction or priorities of the RSS and that collective decisions by "we six or seven seniors" would run the nationwide organization.

New Political Party in Nagaland

94AS0255B Calcutta THE STATESMAN in English
12 Mar 94 p 5

[First paragraph is THE STATESMAN introduction; all names as published]

[Text] The NPC [Nagaland People's Council] secretary-general regretted the split in the party saying that it had once again ignited instability in Nagaland.

Kohima, March 11. In a significant political development, six members today withdrew support to the Nagaland People's Council and formed a new political party—the Nagaland Peoples Council Democratic Party, reports PTI.

The six MLAs [members of Legislative Assembly]—Mr. P. Enyei, Mr. W. Eyong, Mr. R.T.P. Manlem, Mr. Sedem Khaming, Mr. Chenlom and Mr. K. Imlong—today informed the Speaker, Mr. Neiba Ntang, about the withdrawal of support and formation of the new party.

The splinter group of the NPC fulfils the criterion of forming a new party under the anti-defection law as they constitute one-third of the undivided NPC.

With the split, NPC's strength in the House of 59 has been reduced to 10. One seat is vacant following the recent demise of a NPC MLA, Shirhiu.

Meanwhile, the Nagaland People's Council secretary-general, Mr. Shurhozelie, regretted today's split in the party saying that it had once again ignited instability in Nagaland.

In a Press statement issued here, Mr. Shurhozelie, also the deputy leader of the Opposition in the State Assembly, said the split was not surprising as the break-away NPC group was bargaining with a section of the Congress(I) for quite some time.

UNI [United News of India] adds: the NPC (Democratic) Party sources claimed that their party enjoyed support from two more colleagues although they had not signed the letter to the Speaker.

IRAN

New Governor of Kohkiluyeh va Boyer Ahmad Introduced

94LA0153D Tehran SALAM in Persian 5 Mar 94 p 11

[Text] Dehdasht. SALAM Correspondent—Ceremonies marking the departure and the arrival of the former and new governors of the municipality of Kohkiluyeh were held, attended by the governor-general, the Friday imam of Dehdasht, and officials from the organizations and offices of Dehdasht. At these ceremonies, after a speech by the Friday imam of Dehdasht, Engineer Reja', governor-general of Kohkiluyeh va Boyer Ahmad, praised and thanked former Governor Moradi for his services and introduced Naser Mansuri as the new supervisor of the governor's office of Kohkiluyeh.

Ministry of Industries Issues Building Permits

94LA0153A Tehran SALAM in Persian 7 Mar 94 p 4

[Text] In a report on the performance of the Ministry of Industries, the Ministry of Industries General Office of Statistics and Information announced the building permits issued from the beginning of the year 1372 [21 March 1993] to the end of the month of Dey in the current year [20 January 1994].

The Ministry of Industries Public Relations Office reports that from the beginning of the year 1372 to the end of the month of Dey in the current year more than 5,300 building permits, whose preliminary authorization is for an industrial unit, were issued. When these units go into operation more than 146,000 new jobs will be created.

Based on this report, of the total permits issued during this period, 703 of the units have since gone into production and official operation, and in this group 2,300 people have also been absorbed into the labor market. To build these units, 515 million rials [R] was invested.

This report also states that the major permits issued during the month of Dey this year [22 December 1993-20 January 1994] were for: A unit to produce refrigerators, to produce sausage and kilbasa, and also advanced flour mills with investments of R3,286 million in Tehran, and a unit to produce canned fish with investment of R705 million in the province of Hormozegan.

Private Sector's Allocations for New Buildings

94LA0153B Tehran SALAM in Persian 7 Mar 94 p 4

[Text] A study of the statistical report from the Central Bank of the Islamic Republic of Iran, which was prepared by this bank's Office of Economic Statistics, shows that in the first nine months of the year 1371 [21

March-21 December 1992] total private sector investment increased 29.8 percent compared to the same period the previous year to 3,042 billion rials [R], and more than half these investments were in the three provinces of Tehran, Esfahan, and Khorasan.

In the first nine months of the year 1371, construction activities in the private sector in the urban parts of various provinces in the four sectors of new construction, construction already begun, completed construction and completed residential units, were as follows:

1. Investment in New Construction

In the first nine months of the year 1371 total private sector investment in new construction in the urban parts of various provinces at current prices cost about R3,042 billion, which compared to the same period the previous year represents a 29.8-percent increase. Of the total amount invested, the largest share was in the housing sector, with 87.8 percent.

More than half the above investments were in the three provinces of Tehran, Esfahan, and Khorasan, of which 36.9 percent was in Tehran Province, 11.9 percent was in Esfahan Province, and 7.7 percent was in Khorasan Province, and compared to the other provinces these provinces, respectively, received the largest shares. In the period reported, the aforementioned investments increased 37.9 percent in Tehran Province, 37.8 percent in Esfahan Province, and 12.3 percent in Khorasan Province compared to the same period in the year 1370 [21 March-21 December 1991].

Most of the money invested in the three provinces mentioned was for half-completed buildings.

2. Construction Already Begun

In the first nine months of the year 1371, the construction of 102,083 buildings was begun by the private sector in the nation's urban areas, a 17-percent decrease compared to the same period the previous year. The expected cost of these buildings is about R3,029 billion and their estimated foundation areas total 24.8 million square meters. During the nine months reported, the average cost of completing buildings already begun (totaling R29.7 million) increased 39.0 percent, their average foundation area (about 243 square meters) increased 12.7 percent, and the average construction cost of 1 square meter of foundation for the above buildings (R122,028) increased 32.2 percent compared to the same period in the year 1370.

In the nine months covered in the report, of the total number of buildings begun in the nation's urban areas, 13.9 percent were in the province of Esfahan, 11.6 percent were in the province of Tehran, and 10.2 percent were in the province of Khorasan.

In the province of Esfahan construction was begun on 14,147 new buildings at an expected cost of R356 billion

and totaled about 3.3 million square meters of foundation, and their total number decreased 11.7 percent compared to the same period in the year 1370.

In the province of Tehran, construction was begun on 11,851 buildings at an expected cost of R1,035 billion, with about 6 million square meters of foundation space. The number of these buildings decreased 26 percent compared to the same period the previous year.

In the province of Khorasan, construction was begun on 10,382 new buildings, with an expected cost of R215 billion and foundation areas totaling about 2.3 million square meters.

The number of these buildings decreased 30.7 percent compared to the same period in the year 1370.

3. Completed Buildings

In the first nine months of the year 1371, 97,545 buildings were completed by the private sector in the nation's urban areas, which is 10.2 percent more than in the same period the previous year. The cost of these buildings was R2,186 billion and their total foundation area was 22.3 million square meters. In the nine months being reported, the average cost of building the completed buildings in the nation's urban areas was about R22.4 million, an increase of 32.8 percent compared to the same period the previous year. The average foundation area for these buildings was 228 square meters, which is 4.7 percent more than in the first nine months of the year 1370. The cost of one square meter of foundation for these buildings during this period was R98,165, an increase of 26.9 percent compared to the same period the previous year.

In the nine months being reported, of the total number of completed buildings in the nation's urban areas, 13.4 percent was in the province of Tehran, 12.6 percent was in the province of Khorasan, and 10.9 percent was in the Province of Esfahan.

In the province of Tehran 13,058 buildings were completed, which is 4.6 percent more than in the first nine months of the year 1370. The cost of these buildings was R864 billion and their total foundation area was 5.8 million square meters.

In the province of Khorasan, 12,265 buildings were completed, which represents 10-percent growth compared to the same period the previous year. The cost of these buildings was R171 billion, and their total foundation area was about 2.5 million square meters.

In the province of Esfahan 10,647 buildings were completed at a cost of R234 billion and with a total of about 2.9 million square meters of foundation, and this is a 42.4-percent increase in terms of numbers compared to the first nine months of the year 1370.

Distribution of Residential and Residential With Business Buildings Completed Based on the Number of Residential Units

In the first nine months of the year 1371, of the total of 93,258 residential and residential with business buildings completed by the private sector in the nation's urban areas, the largest share was buildings with one residential unit, at 77 percent of the total. Ranking next were buildings with two residential units, at 12.8 percent and buildings with three residential units at 5.3 percent.

The total number of residential units created in the completed residential and residential with business buildings was 145,715. The average foundation area of these residential units was about 144 square meters, a decrease of 3 percent compared to the same period the previous year.

In the nine months being reported, of the above total number of housing units, 29.8 percent was in the province of Tehran, 11.4 percent was in the province of Khorasan, and 9 percent was in the province of Esfahan.

Of the 12,942 residential and residential with business buildings completed in the urban areas in the province of Tehran, 27.3 percent were single-unit residentials, 25.2 percent was three-unit residentials, and 20.5 percent was two-unit residentials. The total number of residential units created in this province in the period reported was 43,439 units. Their average foundation area was 129 square meters, a 12.2-percent decrease compared to the same period the previous year.

Sale of Government Shares to Private Sector Detailed

94LA0153C Tehran SALAM in Persian 6 Mar 94
pp 1,2

[Text] News Service. Shares in government companies and organizations will go on sale on the stock market, at auction, and through negotiations. Sales will be done after determination of the base sale price for cash and installment payments after a decision by the minister in charge of the organization making the transfer as to the nature of the transfers.

Mas'ud Roghani-Zanjani, chief of the Plan and Budget Organization and spokesman for the Economic Council, gave a press conference yesterday (Saturday) in which he announced the above. He discussed the procedure for making installment sales of transferable shares belonging to the government, the organizations, and the government companies in the year 1373 [21 March 1994-20 March 1995].

He said installment sales will be done at the discretion of the minister in charge of the transferring organization. He said: Installment sales will be done only in cases where the buyer or buyers are seeking to buy all the shares at one time.

The spokesman for the Economic Council discussed the procedure for installment payment sales to general applicants and company workers and managers. He said: If general applicants pay 30, 40, or 50 percent of the cost of the transaction for the company, they may pay the remainder of the price over periods of 3, 3.5, and 4 years, respectively.

He discussed the fact that the cost of an installment payment transaction will be the cost of a cash sale of the shares in addition to the banking system's profit on installment payment sales in the industrial sector. He added: To provide banking facilities for company workers and managers, if they so desire and if conditions are otherwise equal with other buyers, these people may pay 20 percent of the price of the transaction and pay the remainder of the value of the shares over a period of 4 years in the form of installment payments.

Continuing, he discussed the fact that the base price of the sale of the shares must be approved by the minister in charge of the organization transferring the shares. He added: The public must be informed about the transfer of the shares in an advertisement to be placed three times in one week in at least two high-circulation domestic newspapers and, at the discretion of the organization making the transfer, in the Voice and Vision of the Islamic Republic of Iran.

He said: If the organization making the transfer does not sell the shares within one year, the designation of a new base price will be the responsibility of the minister in charge.

He said the minister in charge of the organization making the transfer will be responsible for determining the type of transfer, whether by auction, negotiation or

sale on the stock market. He said: With regard to companies, which have been accepted on the stock market, priority will be given to sale on the stock market.

Mr. Roghani-Zanjani discussed the procedure for determining the base price of shares of government companies that can be transferred. He said: The base price of profitable producing companies will be determined by dividing the company's average annual pretax net profit for the last three years by the rate of capital return, with consideration for the factors that affect the adjustment of profits.

He added: If the company's capital has increased in the year of the transfer of the shares or the year prior to the transfer of the shares due to cash earnings, 100 percent of the increased capital will be added to the company's total value and the sums kept in the company for any reason from the profits of the year before the transfer will be added to the company's base price.

The chief of the Plan and Budget Organization discussed the completed price of the development projects and the completed price for semicomplete or ready to operate projects. He said: If it has been more than one year since these projects went into operation, the Central Bank or experts will recalculate the completed price by adjusting the foreign exchange cost at the current foreign exchange price and adjusting the rial costs by the announced wholesale price indicator, and after approval by the company's general assembly, the difference obtained will be added to the base price of the shares.

He emphasized that before transferring shares the organizations making the transfers are required to pay any debts incurred by drawing cash from the Treasury for development projects, or they must make an agreement with the Treasury concerning the method of repayment.

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